



BUSINESS AT HOME INSURANCE POLICY

Product Disclosure Statement
and Policy Wording



LUCKY YOU'RE WITH

AAMI



Business at Home Insurance Policy

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Welcome to AAMI

Thank **you** for considering Business@Home insurance from AAMI Business Insurance.

AAMI Business Insurance specialises in providing direct insurance solutions to small businesses in Australia.

AAMI Business Insurance offers:

- the option to pay by the month
- the option to customise cover
- hassle-free claims
- plain language policy documentation
- Always speak to a real person

AAMI Business Insurance is a member of the Suncorp Group of companies.

Who is the insurer?

AAI Limited ABN 48 005 297 807 trading as AAMI Business Insurance is the insurer and issuer of this product.

How to contact us

You may contact **us** by:

- Phone: 13 22 44
- to lodge or discuss a claim on 13 22 44
- By email: businessinsurance@aami.com.au
- our website on www.aami.com.au

About your insurance policy

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

Your policy is made up of the **Product Disclosure Statement (PDS)** and Policy Wording, any **Supplementary PDS (SPDS)** **we** may send **you**, any **endorsements** and the **policy schedule**. **You** should read all these documents together to tell **you** what **we** cover, what **we** exclude, what **we** pay to settle claims and other important information.

We will provide cover under those Policy sections shown on the **policy schedule** and for those Optional insurances and Extra Covers shown on the **policy schedule** for the **period of insurance**. The commencement date and expiry date of the **period insurance** is shown on **your policy schedule**.

You must pay the premium by the due date and comply with all of the **policy** conditions.

The General policy conditions listed on pages 15 to 17, General claims conditions listed on pages 17 to 20 and General exclusions listed on pages 20 to 22 apply to the whole **policy**. Unless otherwise expressly stated these apply to each of the Policy sections, including any Extra covers, Additional benefits or Optional insurances in those Policy sections. Specific conditions, definitions and exclusions also apply to individual Policy sections and any Extra covers, Additional benefits or Optional insurances in those Policy sections.

Some of the words used in this **PDS** have a special defined meaning. These words are in **bold** in this **PDS** and Policy Wording. Most of the words **we** have defined are listed in the General definitions on pages 22 to 28 or the Definitions of the applicable Policy section. The words may appear without bold type in **endorsements**.

About this Product Disclosure Statement and Policy Wording

We are required to give **you** a **PDS** if **you** are insuring:

- (a) a **home building** under Policy section A, **building** under Policy section 1 or **theft** from a **building** or **home building** under Policy section 2, or **contents** under Policy Section B
- (b) **vehicles** (not exceeding 2 tonnes) under Policy section 10 – Commercial motor; and

you are:

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

This **PDS** and Policy Wording has 5 parts:

- Part 1 contains the Policy summary. **You** can use this summary to decide which Policy sections **you** require.
- Part 2 contains information about **your** rights and responsibilities and how to contact **us** if **you** have a question or complaint. Part 2 applies to all Policy sections and should be read by all persons who take out this insurance.
- Part 3 contains information that only applies to some policyholders. This part only applies to **you** if **you** are insuring **vehicles** (not exceeding 2 tonnes) under Policy section 10 – Commercial motor; or a **home building** under Policy section A, **building** under Policy section 1 or **theft** from a **building** or **home building** under Policy section 2, or **home contents** under Policy Section B and **you** are an individual or a small business.
- Part 4 contains **your** AAMI Business@Home Policy Wording. It applies to all persons who take out this insurance.
- Part 5 contains our Privacy Statement.

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

Communicating with you electronically

We may agree to send **your** policy documents and policy related communications electronically. This will be by email and/or other types of electronic communication methods. Policy documents and policy communications will be provided to **you** in this way until **you** tell us otherwise or **we** tell you it is no longer suitable. If **we** agree to communicate with **you** electronically, **you** will need to provide **us** with **your** current email address and **your** Australian mobile phone number. Each electronic communication will be deemed to be received by **you** at the time it leaves **our** information system.

Part 1: Policy summary

AAMI Business@Home Insurance Policy offers a range of covers for **your business**. These are listed below. Not all covers are available on their own and some are dependent on **you** taking out another cover as well.

For covers **you** have selected please refer to what “What we cover” and “What we exclude” in the relevant Policy section.

Cover type	Summary of covers (see relevant Policy section for details, including limits, and specific terms and conditions and exclusions that apply)
Your Home Covers	
Policy section A – Home Property damage	This Policy section provides cover for loss of or damage to your home building from specified insured events such as fire, lightning and explosion, and provides a number of automatic Extra covers and Additional benefits.
Policy section B – Home contents	This Policy section provides cover for loss of or damage to your home contents at the premises from specified insured events such as theft and provides some Extra covers and Additional benefits, and Optional Extra Cover for Portable and Valuable items.
Policy section C – Legal Liability	<p>This Policy section provides cover for your legal liability</p> <p>We cover your legal liability to pay compensation for death or bodily injury to other people or loss or damage to their property resulting from an event which happens anywhere in Australia or New Zealand during the period of insurance:</p> <ul style="list-style-type: none">• which is in connection with your ownership of the home building or land at the premises; or• resulting from fixtures and fittings attached to the premises and you are legally responsible for such fixtures or fittings under a rental agreement; or• if you are living in a unit, and/or own the unit, and your legal liability is not covered under a home/building policy which covers that unit.
Your Business Covers	
Policy section 1 – Property damage	This Policy section provides cover for loss of or damage to your property from specified insured events such as fire, lightning and explosion, and provides a number of automatic Extra covers and Additional benefits.
Policy section 2 – Theft	This Policy section provides cover for loss of, or damage to, your contents, stock and specified items due to theft and provides some Extra covers and Additional benefits.
Policy section 3 – Money	This Policy section provides cover for your business’s money while at your premises , in a safe or strongroom , in transit to or from your premises , in your personal custody, or custody of a trusted employee .
Policy section 4 – Back in Business	This Policy section provides cover for your lost business revenue and the increased costs of working as a result of interruption of your business from damage caused by specified insured events. Extra covers are also provided.
Policy section 5 – Public and products Liability	This Policy section provides cover for your legal liability to pay compensation for personal injury, damage to property, or advertising liability caused by an occurrence in connection with the business or products .
Policy section 6 – Management liability	This Policy section provides cover for the management liability of you, your directors, officers and employees .
Policy section 7 – Portable and valuable items	This Policy section provides cover for portable or valuable items that you usually carry around with you in the course of your business anywhere in the world.

Policy section 8 – Equipment breakdown	This Policy section provides cover for the breakdown of insured equipment at the premises and loss of, or damage to property insured , caused directly by the breakdown . You have a choice of two types of cover in this Policy section.
Policy section 9 – Tax Probe	This Policy section provides cover for the professional fees incurred in connection with a tax audit of the business’s financial or tax affairs by an authority authorised to do so; for example, the Australian Taxation Office.
Policy section 10 – Commercial motor	This Policy section provides cover for vehicles with a choice of Comprehensive, Legal liability, fire and theft, or Legal liability only covers.
Policy section 11 – Goods in transit	This Policy section provides cover loss of or damage caused to, goods you sell, buy or use in your business when they are in transit . You have a choice of two types of cover in this Policy section.

Part 2: Your rights and responsibilities

Your duty of disclosure

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

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

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

You do not need to tell **us** anything that:

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

If you do not tell us something

If **you** do not tell **us** anything **you** are required to, **we** may cancel **your** contract 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.

Not meeting your responsibilities

If **you** do not meet **your** responsibilities outlined in **your policy**, or if **you** do not tell **us** everything relevant to **our** decision whether or not to insure **you**, or if **you** mislead **us**, **we** can refuse to pay a claim or reduce the amount **we** pay or cancel **your policy**.

If fraud is involved, **we** can treat **your policy** as if it never existed.

Cooling off period

You have the right to cancel and return the insurance **policy** by notifying **us** within 30 days of the date it was issued to **you** including on renewal (“cooling off period”), unless **you** wish to make or have made a claim under the **policy**. If **you** cancel **your policy** during the cooling off period, **we** will return the amount **you** have paid and **you** will have no cover.

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

To cancel at other times (including when a claim has been made during a cooling off period), see “Cancellations” below.

Cancellations

How you may cancel

You can cancel **your policy** at any time by telling **us you** want to cancel it. The cancellation takes effect on the date **we** receive **your** request. If **you** cancel **your policy**, **we** will refund the proportion of **your** premium for the unexpired **period of insurance** less any non-refundable government charges if the refund is more than \$10. If **you** pay by instalments, on cancellation **you** agree to pay **us** any portion of the premium that is owing but not yet paid and that amount is immediately due and payable.

How we may cancel

We can cancel **your policy** at any time according to law. If **we** cancel **your policy** **we** will refund the proportion of **your** premium for the unexpired **period of insurance** less any non-refundable government charges if the refund is more than \$10. If **we** cancel **your policy** due to fraud, **we** will not refund any money to **you**.

If **you** pay **your** premium by monthly instalments and **your** payment is overdue **we** can refuse to pay a claim if payment is 14 days (or more) late, and **we** can cancel **your policy** if an instalment is 1 month (or more) overdue. **We** will notify **you** of the cancellation.

Overdue monthly instalments

If **you** pay **your** premium by monthly instalments and **your** payment is overdue **we** can refuse to pay a claim if payment is 14 days (or more) late. **We** can cancel **your policy** if an instalment is one month (or more) overdue. **We** will notify **you** of the cancellation.

If **we** pay out a claim for the full **insured amount** on **your home building** or **building**, that cover ends. Any Policy section, Extra cover, Additional benefit or Optional insurance for that cover also ends.

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

If **we** pay out a claim for a **total loss** on **your vehicle**, that cover ends. Any Policy section, Extra cover, Additional benefit or Optional insurance for that cover also ends. **We** will not refund any premium.

The amount of your premium

The premium is the amount **you** pay **us** for this insurance. It reflects what **we** consider is the likelihood of **you** making a claim on the policy and other factors related to **our** cost of doing business. The premium includes stamp duty, Goods and Services Tax (GST) and may include other charges. **Your** premium is shown on **your policy schedule**.

In addition to the factors **we** use to calculate **your** premium, the discounts **you** qualify for also affect **your** premium. **Your** premium includes any discounts **you** qualify for and these are applied before adding applicable government charges. **We** can withdraw a discount offer at any time.

Paying your premiums

You can pay in one annual payment or, if **we** agree, by instalments.

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

You must pay the premium by the due date to obtain this insurance cover.

Any payment reminder **we** send **you** does not change the expiry or due date, unless **we** tell **you** otherwise. If **you** do not pay the premium in full, **we** may reduce the **period of insurance** so it is in line with the amount **you** paid.

Where **you** do not pay **your** premium by the due date for the first **period of insurance** with **us**, **we** can cancel **your** policy. Where **you** do not pay the premium for renewal by the due date, then the renewal policy will not commence and **your** cover will end at the expiry of the previous period of insurance.

If **we** accept **your** late payment, **we** may recommence **your** cover from the date **we** received **your** payment. If so, **you** will not have any cover from the expiry of the previous period of insurance until the date of payment.

If **you** change **your policy** **you** may be required to pay an additional premium. Where a change to **your** policy results in a premium increase, **you** will have to pay the amount by which **your** premium has increased by the due date to obtain the varied insurance cover.

Overdue monthly instalments

If **you** pay **your** premium by monthly instalments and **your** payment is overdue **we** can refuse to pay a claim if payment is 14 days (or more) late. **We** can cancel **your policy** if an instalment is one month (or more) overdue. **We** will notify **you** of the cancellation.

Excess

This is the amount **you** have to pay each time **you** make a claim under **your policy**. The amounts and types of **excess** that applies to **your policy** is shown either in this **PDS** and Policy Wording or on **your policy schedule**.

If **you** claim under more than one Policy section for one incident or **event**, then **you** only pay the highest **excess** that applies unless expressly stated otherwise in the **policy**. **You** may be required to pay one or more **excesses**. For example, Additional benefits may have their own **excess** which may be in addition to any **excess** that may apply to a claim.

Claims made and notified basis of cover

Policy section 6 – Management liability (excluding Optional insurance 1 - Employee dishonesty), are issued on a 'claims made and notified' basis. This means that Policy section 6 – Management liability (excluding Optional insurance 1 - Employee dishonesty) responds to:

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

When the **period of insurance** expires, no new notification of claims or facts can be made under Policy section 6 – Management liability (excluding Optional insurance 1 - Employee dishonesty) of the expired **policy** even though the event giving rise to the claim against **you** may have occurred during the **period of insurance**. An exception to this is under Additional benefit 13 - Automatic discovery period of Policy section 6, if any, under which some cover for new notification of claims or facts is available.

Complaints resolution

We are committed to:

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

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

- Telephone: 13 22 44
- Mail: Internal Dispute Resolution
PO Box 14180
Melbourne City Mail Centre Victoria 8001
- Email: idr@aami.com.au

What we will do to resolve your complaint

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

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

If **you** are still unsatisfied with the final outcome at **your** request **we** can refer **your** complaint to our Internal Dispute Resolution (IDR) team. Our IDR team will review **your** dispute, and respond to the dispute within 15 working days of **your** complaint being referred to them provided they receive all necessary information and have completed any investigation required.

What if you are not satisfied with our final IDR decision?

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

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

You can contact the FOS by:

- Telephone 1800 367 287
- Address Financial Ombudsman Service (FOS)
GPO Box 3 Melbourne Victoria 3001
- Email info@fos.org.au or
- Website www.fos.org.au

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

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

Other information

How the Goods and Services Tax (GST) affects this insurance

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

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

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

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

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

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

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

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

Fraudulent claims

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

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

Financial Claims Scheme

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

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

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

General Insurance Code of Practice

We are a signatory to the General Insurance Code of Practice. A copy of the Code can be obtained from the Insurance Council of Australia by:

- Telephone (02) 9253 5100 or
- Website www.insurancecouncil.com.au

Terrorism Insurance Act 2003

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

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

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

Updating information

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

You can obtain a copy of updated information by contacting us on 13 22 44. **We** will give **you** a free paper copy of any updates if **you** request them. If it becomes necessary, **we** will issue a supplementary or replacement PDS.

Part 3: Information for some policyholders

This Part applies to **you** if **you** are insuring:

- (a) **vehicles** (not exceeding 2 tonnes) under Policy section 10 – Commercial motor; or
- (b) a **home building** under Policy section A, **building** under Policy section 1 or **theft** from a **building** or **home building** under Policy section 2, or **home contents** under Policy Section B, and **you** are:
 - an individual; or
 - a small business having:
 - in the case of a non-manufacturing business, less than 20 employees; or
 - in the case of a manufacturing business, less than 100 employees.

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

An example of what is considered a **building** which may also have residential use under Policy section 1 is where the building is predominately used as a commercial premise but you may also live in the building.

An example of what is considered a **home building**, is a permanent structure which you use as your primary place of residence but you also operate your business from such permanent structure.

If the **home building or building** is only used by **you** for residential purposes, it cannot be insured under this product.

How various factors may affect your premium for Policy sections A, B and 1, 2

Significant factors affecting **your** premium in relation to Policy section A, B and 1, 2, (for a **home building, building** or **home contents** under Policy section B) include some or all of the following:

- the sum insured
- the suburb of the **home building** or **building**
- any extra or optional insurance **you** have chosen
- **your** claims experience
- the amount of any voluntary **excess**
- the constructions materials of the home **building** or **building**
- any **endorsements**.

How various factors may affect your premium for Policy section 10 (vehicles)

Significant factors affecting **your** premium in relation to Policy section 10 (for a **vehicle**) include some or all of the following:

- The type of cover chosen;
- The **vehicle** type and age
- Whether the **vehicle** is insured for **market value** or agreed value;
- Whether a **vehicle** has accessories and modifications that increase risk;
- The age of drivers
- No claim bonus level
- Claims experience;
- The use of the **vehicle** and the **business** type
- The garaged postcode
- The amount of any voluntary **excess**
- Any **endorsements**.

Why the cost of insurance can change

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

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

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

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

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

Premium discounts

Discounts are also a factor that can affect your premium. The premium **you** pay for **your** insurance includes any discounts **we** have given **you**. Any discounts are usually calculated and applied before the application of government taxes and charges.

The main discount **we** offer is the no claim bonus for some comprehensively insured vehicles – see pages 187 to 188 for details.

At times **we** may offer premium discounts to particular customers as part of a promotion or to take account of market conditions. The amount and type of discounts can change at any time before **you** take out this **policy**, or at **your** next renewal

We can vary or withdraw a discount at any time. If **we** withdraw a discount it will continue to apply to **your policy** but will be removed when the **policy** is renewed.

Excesses

An **excess** is **your** contribution to the cost of a claim. If **you** make a claim, **you** may be required to pay one or more **excesses**.

The description of those **excesses** and the circumstances in which they are applied are shown in the relevant Policy section in Part 4 of this **PDS** under 'Excess' or in **your policy schedule**.

Policy sections A, B, and 1, 2: Excesses

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

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

Policy section 10: Excesses

There are a number of **excesses** which apply to this Policy section. The amount of each **excess** (other than the basic excess) is shown in Policy section 10 in Part 4 of this **PDS** and Policy Wording. The amount of the basic **excess** will be shown on **your policy schedule**.

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

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

Part 4: Your AAMI Business@Home Insurance Policy

Important information

1. Who is insured?

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

2. Policy limits

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

General policy conditions

These conditions apply to the whole **policy**.

1. Change to risk

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

- the **business** is permanently discontinued;
- **you** are convicted of a criminal offence;
- the nature of or type of **business** carried on by **you** or **your** tenants;
- the occupation and activities carried on by the tenants of **your buildings**;
- other circumstances that affect the **premises** or the **property insured** in such a way as to increase the risk of **damage** or **loss**;
- as property owner, **you** intend to either redevelop or demolish **your property insured**, have lodged an application to do this, or a government authority has issued a demolition order;
- **your** interest in the **policy** ceases, including by operation of law;
- **you** or the **business** are insolvent, wound up or subject to external administration;
- details of any conversion or modification to **your vehicle** made by someone other than the manufacturer;
- if there is anyone under the age of 25 years who is likely to be a regular driver of the **vehicle**; and
- change of **your** address, **your vehicle**, **your vehicle's** garage postcode or the way **you** use **your vehicle**.

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

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

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

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

2. Reasonable care and reducing risk

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

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

You must:

- take all reasonable steps to prevent **loss** of, or **damage** to, **your vehicle**;
- take all reasonable care to prevent injury to another person or **damage** of another person's property; and
- keep all **vehicles** in a roadworthy condition.

3. Hazardous or dangerous goods

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

4. Other interests

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

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

5. Transfer of interest

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

6. Unoccupancy

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

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

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

7. Notification of other insurance

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

8. Changes in or waivers of the policy

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

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

9. Multiple insured parties

Except as otherwise expressly provided in Policy section 5 – Public and products liability, Policy section 6 – Management liability and Policy section 9 – Tax probe, where there is more than one person or organisation insured under this **policy**:

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

10. Keeping us up to date

You must tell **us** at the commencement of **your policy** and at each renewal if any authorised driver of **your vehicle**, including **you**, has within the past 5 years:

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

General claims conditions

These conditions apply to the whole **policy**.

You must comply with these conditions if an **event** occurs which may lead to or results in a claim. If **you** do not comply with these conditions, **we** may refuse **your** claim or reduce the amount **we** pay **you**.

1. Claim notification

You must:

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

2. Minimise loss

You must:

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

3. Retain all damaged property

You must:

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

4. Proof of ownership

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

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

5. Cooperation

You must co-operate and provide **us** with all reasonable assistance in connection with any investigation, negotiation, recovery, defence, legal proceeding or settlement of any claim including doing all things necessary to allow **us** to take over legal proceedings **you** are a party to.

6. Proof of fraud or dishonesty

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

7. Admitting liability

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

8. Repair or replacement

You must not authorise the repair or replacement of any insured item without **our** agreement except in the case of an emergency where **you** are required to prevent further loss or damage to that item as a result of the emergency.

9. Conduct of claims

We are entitled to conduct claims and proceedings. This includes the right to takeover and conduct in **your** name the defence or settlement of any claim or proceeding. At all times **we** have the right to make admissions, negotiate and settle a claim or proceeding on terms **we** consider appropriate. **You** are not permitted to make any admissions of liability, offer, promise or payment without **our** written consent. **We** may engage legal or other representatives to assist in the conduct of a claim and proceedings.

10. Paying your excess

You must pay the **excess** that applies to a claim under this **policy**. **We** may require **you** to pay **your excess** in full before **we** pay **your** claim or provide any benefits under **your policy**. The fact **we** have asked for payment of **your excess** does not of itself mean that **your** claim has or will be accepted by **us**.

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

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

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

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

11. Our rights of possession

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

12. Claims settlements

(a) ITC entitlement

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

(b) Cash payments

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

(c) Discharge of our liabilities

If, at any time, **we** pay **you** the **insured amount** or **limit of liability** for any claim under this **policy**, **we** do not have any further liability to **you**. **We** may also pay any Extra covers, Additional benefits or Optional insurance that are expressed to be in addition to the **insured amount** or **limit of liability**.

(d) Salvage

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

13. Claims preparation expenses

We will pay for accountant, claims consultants, surveyors, architects, engineers and other professional fees necessarily and reasonably incurred for the preparation of a claim covered under this **policy** other than under Policy section 4 – Back in business, Policy section 6 - Management liability or Policy section 9 - Tax Probe. The most **we** will pay is the lesser of \$20,000 or 25% of the total amount payable under the applicable Policy section, as a result of an **event**. This benefit is in addition to the **insured amount**.

14. Rights of recovery

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

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

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

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

15. Subrogation agreements

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

16. Fraudulent claims

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

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

General exclusions

These exclusions apply to the whole **policy** unless specifically stated otherwise.

1. Conflict

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

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

This exclusion does not apply to Policy section 11 - Goods in transit, to the extent of any inconsistency.

2. Consequential loss

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

This exclusion does not apply to Policy Section C – Home Legal Liability, Policy section 4 – Back in Business or Policy Section 5 – Public and products liability.

3. Nuclear

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

- ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion or fission of nuclear fuel;
- the radioactive, toxic, explosive or other dangerous properties of nuclear machinery or any part of it; or
- nuclear weapons material.

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

4. Non-compliance

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

5. GST, fines or penalties

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

6. Intentional acts

This **policy** does not insure:

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

7. Terrorism

This **policy** does not insure:

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

However, this exclusion does not apply to:

- Policy section A - Home Building
- Policy section B – Home Contents
- Policy section 2 - Theft;
- Policy section 3 - Money; and
- Policy section 7 - Portable and valuable items.

8. Electronic data exclusion

(a) This **policy** does not cover:

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

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

However, where an **event** listed below under (i) to (viii) (being an insured event covered in Policy section 1 - Property damage or Policy section 7 - Portable and valuable items of this policy but for this exclusion) is caused by any of the matters described in paragraph a. above, this **policy**, subject to all its provisions, will insure:

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

(i) Fire

(ii) Lightning or thunderbolt

(iii) Explosion or implosion

(iv) Storm and wind other than **flood**

(v) Water damage

(vi) Impact

(vii) Earthquake, tsunami, subterranean fire, or volcanic eruption, or fire resulting from any of these

(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**.

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

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

(c) For the purposes of 'What we cover' in this **policy**, computer systems records includes electronic **data**.

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

9. Sanctions

Despite any provision of the **policy**, **we** will not cover and will not make any payments or provide any services or benefit to **you** or to any other party to the extent that such cover, payment, service or benefit would contravene any applicable trade or economic sanctions, law or regulation.

When we may refuse a claim

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

(a) **you** have not complied with **your** duty of disclosure;

(b) **you**:

- are not truthful;
- have not given **us** full and complete details; or
- have not told **us** something when **you** should have,

when applying for the insurance, or when making a claim.

(c) **you** are paying by instalments and at the date of the **event you** are claiming for, **you** are 14 days (or more) late in paying an instalment;

(d) **you** have not complied with any of the conditions of **your policy**;

(e) **you** do any of the following without **us** agreeing to it first:

- make or accept any offer or payment or in any other way admit **you** are liable for loss or damage;
- settle or attempt to settle any claim; or
- defend any claim; or

(f) cover is excluded by the **policy**.

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

General definitions

Unless defined differently in a Policy section, these definitions apply to the whole **policy**.

Accidental

Unexpected and unintended from **your** standpoint.

Act of terrorism

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

Air conditioner

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

Aircraft

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

Animal or Animals

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

Building or Buildings

Any permanent structure located on the **premises** used solely or predominately for commercial purposes but may include a residential use within such permanent structure, including the following at the **premises**:

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

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

Business or Businesses

The business or businesses described in the **policy schedule**.

Canada

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

Certificate of authenticity

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

Computer virus

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

Customers' goods

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

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

However, customers' goods do not include consigned items of property under an agency agreement where **you** make a commission on a sale.

Damage or Damaged

Sudden and unforeseen physical damage or destruction.

Data

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

Electronic equipment

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

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

Employee

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

Employee does not include:

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

Endorsement or Endorsements

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

Event or Events

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

Excess or Excesses

The amount of each and every claim that must be paid by **you**, before the application of any cover, benefits or limits of **your policy**.

External glass

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

Family

Any person who is:

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

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

Flood

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

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

- a canal; or
- a dam.

Fungus/Fungi

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

Glass

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

Home building

Any permanent structure located on the **premises** containing the primary place of residence and all other permanent structure(s) used solely or predominately for residential purpose(s) including the following and which is not described on page 29 under 'What we do not cover as a home building' BUT there must be a commercial use within such primary place of residence, other permanent structure or on the **premises**:

- garages, carports, outbuildings, outdoor walls, gates, fences and any structural improvements on land;
- decks, pergolas, pagodas, verandas and balconies, fixed water tanks, fixed swimming pools and spas, granny flats, sheds, tennis courts;
- garden borders, sealed pathways and paved or concreted floor areas;
- sealed driveways or sealed roads;
- retaining walls which are located within the boundaries of the **premises**;
- services, both above and below ground that are your property and you are responsible for;
- any permanently housed, connected or wired electrical appliances;
- any permanently fixed outdoor items, including solar panels, satellite dish, play equipment, clothes lines, animal housing and outdoor lights;
- gas appliances permanently plumbed to a gas supply;
- any permanently attached fixtures including wall, ceiling and floor coverings;
- lino installed, whether permanently attached or not;
- sewer storage tanks or treatment tanks permanently plumbed to your home;
- boat jetties, pontoons, mooring poles and their attachments and accessories which are located within the boundaries of the **premises** or where part of their structure begins or terminates on the **premises**;
- any uninstalled building fittings, fixtures and materials (limits apply) but only when kept in a locked and secured building at the **premises**.

Hovercraft

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

Input tax credit

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

Insured/you/your

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

Insured amount or limit of liability

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

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

Internal glass

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

Limit

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

Loss/losses/lost

Sudden or unforeseen physical loss.

Machinery

Except in relation to Policy section 8 – Equipment breakdown, any mechanical or electrical equipment, that generates, transmits or utilises mechanical or electrical power, any electronic machine, device or instrument, but not including;

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

Manual labour

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

Manufacturer's box

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

Media

Material on which **data** is recorded or stored, such as magnetic tapes, hard drives, cartridges, dongles, CDs, DVDs, USBs, flash drives, memory cards or floppy disks. Media does not include paper records.

Money

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

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

Occurrence

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

Original operating manual

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

Period of insurance

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

Personal effects

Clothing and personal belongings normally worn or carried.

Policy

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

Policy schedule

The policy schedule forming part of the **policy**, or if the **policy** has been renewed the policy schedule issued with the renewal notice.

Pollutants

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

Premises

The address specified in the **policy schedule** including the land within the legal boundaries, **building** and **home building**. **Premises** also includes all land adjoining the **premises** that **you** have a legal right to occupy, if the land adjoining the **premises** is not subject to any communal or common property conditions (e.g. community title/strata title arrangements). The **premises** does not include common property.

Product Disclosure Statement (PDS)

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

Proof of purchase

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

Proof of ownership

Includes, but is not limited to, **certificate of authenticity**, **manufacturer's box**, **original operating manual** and/or **proof of purchase**.

Property insured

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

Road

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

Safe or strong room

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

A safe is not:

- an ATM;
- a cash tin;
- a locked drawer in a filing cabinet or desk; or
- a theft resistant container weighing less than 20 kilograms that is not fixed to the wall or floor of the **premises** by anchoring it using mechanical bolting (e.g Dynabolts).

Sanitary fittings

Baths, sinks, lavatory bowls and vitreous china cisterns, washbasins and pedestals forming permanent fixtures.

Seasonal increase period

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

Stock

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

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

Supplementary PDS (SPDS)

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

United States

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

Vehicle

Except in relation to Policy section 10 – Commercial motor, any type of machine on wheels or on caterpillar tracks (including any trailer, caravan or other apparatus attached to the machine) made or intended to be propelled other than by manual or **animal** power.

Watercraft

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

We/us/our

AAI Limited ABN 48 005 297 807 trading as AAMI Business Insurance.

Your Home Covers

Your Home Covers are Policy Section A - Home Property Damage, Policy Section B - Home contents and Policy section C - Home Legal Liability.

Policy section A - Home Property Damage and Policy Section B - Home Contents

About your cover

You can choose to take out insurance for **your home building** or for **your home contents** at the **premises**, or for both. The cover you have chosen for **your home building** will be shown under Policy Section A – Home property Damage on **your policy schedule** or for **your home contents** under Policy Section B - Home Contents.

Who we cover – You/Your

Under **Policy sections A, B and C**, **you/your** refers to the person or persons named as the **insured** on **your policy schedule** and **you/yours** also includes members of **your family** who normally live with **you** at the **premises**.

If the **insured** shown on **your policy schedule** is a company, trustee of a trust or body corporate, then **you/ your** refers to:

- that company, trustee or body corporate;
- the following if they normally live at the **premises**:
 - any company director, company owner or trust beneficiary; and
 - their respective **family** members.

Where we cover - the premises

We cover **your home building** and **home contents** at the **premises**.

In addition, **we** can provide cover for **portable valuables** when the **portable valuables** are away from the **premises**. See page 44 Optional Extra Cover for Portable valuables.

What we do not cover as the home building

We will not cover any **home building** or part of the **home building** which is legally part of a strata title building under the relevant state law.

Your home building does not include:

- anything defined below as **home contents**;
- any new building in the course of construction;
- any temporary or mobile structures, including caravans, houseboats, watercraft or motorised craft of any type;
- inflatable or portable swimming pools and spas and their accessories;
- any fixed or temporary dead weight moorings, mushroom moorings or screw in moorings;
- any carpets, rugs, blinds, drapes or curtains;
- air conditioners attached within a window;
- loose or compacted soil, lawn, artificial grass, gravel, pebbles, rocks or granular rubber;
- used or applied chemicals, fertilisers or pesticides;

- plants, trees, shrubs or hedges in the ground (unless covered under additional feature 'Damage to gardens and plants');
- a hotel, motel, boarding or guest house.

What we cover as your Home contents under policy section B

Home contents are **your** household items that **you** own or are responsible for and use primarily for **domestic purposes**.

Home contents are items which are not permanently attached to **your home building** or **premises** such as, but not limited to furniture, furnishings, clothing, home computers and printers, unfixed electrical goods and appliances, internal blinds, drapes and curtains, carpets, rugs, pot plants, medical equipment and aids.

Home contents that are **vehicles, watercraft** or **aircraft** are limited to:

- wheelchairs, mobility scooters, ride-on mowers, golf carts;
- remote controlled model or toy motor vehicles;
- surfboards, sailboards, kite surfing equipment, canoes, kayaks and non-motorised surf skis;
- remote controlled model or toy watercraft;
- remote controlled model aircraft with a wingspan up to 1.5 metres or static toy aircraft.

Home contents that are swimming pools, saunas and spas are limited to those that are designed to be easily relocatable.

If home contents are insured in a unit

Home contents also includes the fittings in a unit used or intended to be used by **you** primarily as a place of residence if the fittings are not legally part of the unit building according to the relevant state law.

The fittings included are limited by law, and depending on the location of **your** unit could be:

- lino installed in the unit, whether permanently attached or not;
- floating wooden floors;
- air conditioners and spas for the sole use of the unit owner or occupier;
- fixtures owned by **you** as a tenant which will be removed when vacating;
- wall paint and paper if **your** unit is located in New South Wales.

We will not cover any item which is legally part of a unit building according to the relevant state law.

If home contents are insured in a home building that is not a unit and you are a tenant

When **you** are a tenant of a **home building** that is not a unit, **home contents** also include any items used primarily for domestic and residential purposes, which are permanently attached to the **premises** and are not common property and which **you** own.

What we do not cover as your Home contents

Home contents does not include:

- Home office equipment used for a **business** activity;
- Tools of trade used for a **business** activity;
- electrical or electronic items that are no longer able to be used by **you** for the purpose they were intended, or which is now useless or obsolete;
- anything defined as **home building** or **building** (unless 'If **home contents** are insured in a **home building** that is not a unit and **you** are a tenant' applies to you);
- electrical or electronic items that are no longer able to be used for the purpose they were intended;
- any pets or animals;
- items that are or were **stock** or samples related to any business activities;
- loose or compacted soil, lawn, artificial grass, gravel, pebbles, rocks, granular rubber or water;

- plants, trees, shrubs or hedges in the ground;
- used or applied chemicals, fertilisers and pesticides;
- any **home contents** in a **vehicle** designed for the temporary accommodation and/or conveyance of people and/or animals, including **home contents** in a caravan, camper trailer, slide-on camper, mobile home, trailer or horse float;
- keys (including keyless electronic starters) for any **vehicle, watercraft or aircraft**, except if belonging to **vehicles** covered under 'What we cover as your **home contents**' (see page 29);
- any unlicensed or unregistered firearms;
- any item which is legally part of a unit building according to the relevant state law.

How we cover home contents

The type of cover **we** offer, where we provide that cover, and the limits that apply, can change depending on the type of **home contents you** are insuring. For some **home contents** the limit that applies is shown in this **policy section** and other times, the insured amount is shown on **your policy schedule**. This is a summary only. For full details **you** need to read this **policy** and **your policy schedule** carefully.

Different Types of home contents

There are different types of **home contents** that can be covered under policy section B. These are:

- (1) **Home contents** without fixed limits, **home contents** with fixed limits; and,
- (2) Optional Extra cover for portable valuables.

The most we will pay for all home contents

The most **we** will pay for loss or damage to all **home contents** in an incident is the 'contents' **insured amount** plus any Optional Extra cover 'Portable valuables' **insured amounts**.

There are limits that also apply to individual **home contents** items or types of items. These limits are set out in the tables on page 32 'Home contents with fixed limits'.

Home contents with fixed limits

Home contents with fixed limits are **home contents** that have limits that are fixed and cannot be changed. The most **we** will pay for **loss** or **damage** to **home contents** with fixed limits caused by an insured **event** and covered under this Policy section B is the fixed limit shown in the following table. For details of the limits that apply see page 32.

The following table lists **home contents** that have fixed limits that cannot be changed and these limits are the most **we** will pay for those **home contents** items.

Item	Limits for any one insured event
Cash, smart cards, phone cards, documents able to be cashed or traded, vouchers, money orders or stamps (not in a set or collection)	Limited to \$500 in total and each period of insurance
Uncut and unset gems, gold or silver nuggets, bullion and ingots (not jewellery)	Limited to \$500 in total
Refrigerated food, frozen food and medicines	Limited to \$400 in total
Home contents in the open air	Limited to a total of \$2,000 or 20% of home contents insured amount (shown on your policy schedule)
Jewellery and watches	\$1,000 per item or set up to a total of \$5,000
Carpets or rugs that are hand woven	\$1,000 per carpet or rug
Paintings, pictures, works of art, antiques, sculptures, ornaments and art objects	\$1,000 per item or set up to a total of \$5,000
Collections, sets and memorabilia, including stamps, stamp collections, collector's pins, medals and currency no longer in circulation	\$5,000 in total for all collections, sets and memorabilia
Commercially produced audio and video media, and computer and game console software	\$1,000 in total

The most we will pay for Optional Extra cover portable valuables

If **you** want to cover any portable valuable **home contents** item for **accidental loss or damage** occurring during the **period of insurance** at or away from the **premises, you** will need Optional Extra Cover for portable valuables. For full details see 'Optional Extra cover for portable and valuable items' on page 44.

We offer 2 types of cover under Optional Extra cover portable valuables, Extra cover unspecified items and Extra cover specified items. The most **we** will pay for the 2 types of cover is set out in the table below.

We offer 2 types of cover under the Optional Extra cover for portable valuables:

Extra Cover Unspecified Items	and / or	Extra Cover Specified Items
You can choose an insured amount from the options we offer ranging from \$3,000 to \$5,000 . You do not have to specify items individually.		You specify the item by giving us the full description and replacement value. The item will be listed individually on your policy schedule .
The most we will pay for all Extra cover unspecified items is the insured amount shown on your policy schedule but there is a \$1,000 limit per item, pair, set or collection per claim.		The most we will pay for an Extra cover specified item is the insured amount for each item shown on your policy schedule .

Exclusion for new business policies

There is no cover for bushfire, storm, **flood** or tsunami in the first 72 hours of **your policy**.

Very limited exceptions apply. For full details see 'General exclusions – Bushfires, storms, floods, tsunamis in the first 72 hours of cover' on page 58.

What you are covered for - Insured Events

If **you** have a **home building** insurance **policy**, **we** cover the **home building** for **loss** or **damage** at the **premises** caused by an insured event during the **period of insurance**.

If **you** have a **home contents** insurance **policy**, **we** cover **your home contents** for **loss** or **damage** at the **premises** caused by an insured event during the **period of insurance**.

There are some things **we** do not cover and these are shown in the 'What we exclude' section of the following tables on pages 33 to 42 and in the 'General exclusions' on pages 20 to 22.

Flood

What we cover	What we exclude
<p>Loss or damage caused by flood.</p> <p>'Flood' means the covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:</p> <ul style="list-style-type: none">(a) a lake (whether or not it has been altered or modified);(b) a river (whether or not it has been altered or modified);(c) a creek (whether or not it has been altered or modified);(d) another natural watercourse (whether or not it has been altered or modified);(e) a reservoir;(f) a canal;(g) a dam.	<ul style="list-style-type: none">• loss or damage caused by actions or movements of the sea or storm surge;• loss or damage to retaining walls, sea walls, garden borders and free standing outdoor walls;• resultant cracking to paths, driveways, any outdoor surfaces, but we will cover them if they are washed away by the flood;• loss or damage to a sporting surface or court;• loss or damage to boat jetties, pontoons, mooring poles and their attachments and accessories, including if they are washed away by the flood;• the cost of cleaning mud or debris out of tanks, swimming pools or spas, including replacing or storing the water;• damage to external paintwork of the home building, if that is the only building damage caused by the flood;• loss or damage to swimming pools or underground tanks caused by water leaking down the sides, against the sides or getting underneath them;• loss or damage to gates, fences or wall fences that were in a state of disrepair which would have been obvious to a reasonable person before the damage occurred;• loss or damage caused by erosion, vibration, subsidence, landslip, landslide, mudslide, collapse, shrinkage or any other earth movement, but we will cover damage to the home building caused by a landslide or subsidence proved to have occurred within 72 hours of, and directly because of, flood and not because of erosion over time, structural fault or design fault;• the cost of cleaning the home building or home contents at the premises.

Storm, wind and rain (including snow, sleet or hail)

What we cover

Loss or **damage** caused by a storm.

Note: The most **we** will pay for loss or damage to contents in the open air is \$2,000 in total.

What we exclude

- loss or **damage** caused by **flood**;
 - **loss** or **damage** to the **home building** caused by **actions or movements of the sea** or storm surge, but **we** will cover **loss** or **damage** caused by storm surge if it occurs at the same time as other insured **damage** at the **premises** caused by storm;
 - **loss** or **damage** caused by erosion vibration, subsidence, landslip, landslide, mudslide, collapse, shrinkage or any other earth movement, but we will cover loss or damage to the **home building** caused by a landslide or subsidence proved to have occurred within 72 hours of, and directly because of, a storm and not because of erosion over time, structural fault or design fault;
 - **loss** or **damage** to retaining walls, sea walls, garden borders and free standing outdoor walls;
 - resultant cracking to paths, driveways, any outdoor surfaces, but **we** will cover them if they are washed away by the **storm**;
 - **loss** or **damage** to a sporting surface or court;
 - **loss** or **damage** to boat jetties, pontoons, mooring poles and their attachments and accessories, including if they are washed away by the **storm**;
 - the cost of cleaning mud or clearing debris out of tanks, swimming pools or spas, including replacing or storing the water;
 - **loss** or **damage** to swimming pools or underground tanks caused by water leaking down the sides, against the sides or getting underneath them;
 - **damage** to external paintwork of the **home building**, if that is the only building damage caused by the **storm**;
 - **loss** or **damage** to gates, fences or wall fences that were in a state of disrepair which would have been obvious to a reasonable person before the **damage** occurred;
 - the cost of cleaning the **home building** or **home contents** at the **premises**
-

Lightning

What we cover	What we exclude
<p>Loss or damage caused by lightning, including power surge caused by lightning.</p>	<ul style="list-style-type: none">any claim where the Australian Government Bureau of Meteorology has no record of lightning in your area at the time of the loss or damage;loss or damage without written confirmation from a qualified repairer saying lightning was the actual cause of the loss or damage;loss or damage caused by power failures or surges by your power provider.

Fire

What we cover	What we exclude
<p>Loss or damage caused by fire (burning with flames).</p>	<p>Loss or damage arising from:</p> <ul style="list-style-type: none">heat, ash, soot and smoke when the home building or home contents have not caught on fire unless it is caused by a burning building within 10 metres of the premises;arcing, scorching or cigarette burns unless a fire spreads from the initial burn spot;pollution or vapour from a home heater or a cooking appliance unless a fire spreads from the initial source.fire if the home building has been unoccupied for 60 consecutive days immediately before the fire.

Earthquake and Tsunami

What we cover	What we exclude
<p>Loss or damage caused by an earthquake or tsunami.</p>	<ul style="list-style-type: none">loss or damage caused by flood;loss or damage caused by actions or movements of the sea or storm surge; Note: 'Tsunami' is not defined as an action or movement of the sea, see page 61.loss or damage that occurs more than 72 hours after an earthquake or tsunami;loss or damage caused by erosion, vibration, subsidence, landslip, landslide, mudslide, collapse, shrinkage or any other earth movement, BUT we will cover damage to the home building caused by a landslide or subsidence that you prove to have occurred within 72 hours of and directly because of, an earthquake or tsunami, and not because of erosion over time, structural fault or design fault.

Theft or Burglary

What we cover	What we exclude
<p>Loss or damage caused by thieves or burglars.</p> <p>Note: The most we will pay for loss or damage to contents in the open air is \$2,000 in total.</p>	<p>Loss or damage:</p> <ul style="list-style-type: none">caused by you or someone who lives at the premises;caused by someone who entered the premises with:<ul style="list-style-type: none">your consent;the consent of someone who had your authority to allow them access to the premises.loss or damage caused by theft if the home building has been unoccupied for 60 consecutive days immediately before the theft or attempted theft

Accidental breakage of glass

What we cover	What we exclude
<p>When you have home building cover</p> <p>Accidental breakage of:</p> <ul style="list-style-type: none">fixed glass in windows, doors, skylights, mirrors fixed to the building and other fixed glass (including glass tint if fitted);glass in a fixed light fitting in the home building;sinks, basins, baths or shower-bath combinations, cisterns and toilets;any glass that forms part of a:<ul style="list-style-type: none">fixed cooking or heating appliance; orcook top or cooking surface; <p>BUT we will not pay to replace the entire appliance, cook top or cooking surface.</p>	<p>When you have home building cover</p> <ul style="list-style-type: none">glass in a glasshouse, greenhouse or conservatory;ceramic tiles;shower bases (tiled or otherwise);the cost to modify any part of the home building to fit any replacement cooking or heating appliance if the dimensions differ;the cost to remove broken glass from carpets or other parts of your home building or home contentsany loss or damage if the breakage does not extend through the entire thickness of the damaged item (e.g. chips or scratches).
<p>When you have home contents cover</p> <ul style="list-style-type: none">accidental breakage of fitted glass in furniture and unfixed hung mirrors;when you are a tenant under a lease which holds you legally responsible for accidental damage we cover accidental breakage of:<ul style="list-style-type: none">glass in windows and other fixed glass that is part of the home building (including tinted glass, if fitted);glass sinks, basins, baths or shower-bath combinations, cisterns and toilets;glass in a fixed light fitting;any glass that forms part of:<ul style="list-style-type: none">a fixed cooking or heating appliance; ora cook top or cooking surface;	<p>When you have home contents cover</p> <ul style="list-style-type: none">any accidental breakage which has occurred while the items are outside the home building;ceramic tiles;shower bases (tiled or otherwise);drinking glasses and any glass or crystal items normally carried by hand;any hand held mirrors;the screen or glass of any computer, television set or other type of visual or audio electronic device;glass that is part of a vase, decanter, jug, fishbowl, ornament or light globe;the cost to remove broken glass from carpets or other parts of your home contentsany loss or damage if the breakage does not extend through the entire thickness of the damaged item (e.g. chips or scratches).

What we cover (cont.)

BUT we will not pay to replace the entire appliance, cook top or cooking surface.

Replacing glass

We will also cover the frame of any window, door or shower screen, **BUT** only if this is necessary to enable the glass to be replaced.

Escape of liquid

What we cover

Loss or **damage** caused by liquid leaking, overflowing or bursting from any of the following:

- refrigerators, freezers, dishwashers and washing machines;
- any drain, fixed pipes, roof gutters or guttering and rainwater downpipes, drainage and sewage systems;
- fixed tanks;
- swimming pools or spas;
- waterbeds;
- baths, sinks, toilets and basins;
- fixed heating or cooling system;
- water main, fire hydrant or water supply pipe;
- an aquarium.

Exploratory costs

If **we** provide cover under this insured event, **We** will also pay the reasonable costs of:

- locating, at the **premises**, the source of the escaped liquid; and
- repairing and restoring damage to the **home building** caused by our exploratory work (but **we** do not cover the repair or replacement of the item from which the liquid escaped). **We** will also pay up to \$1,000 extra to match or complement undamaged materials in the same room, hallway, stairs or passageway where the damage occurred (see pages 47 to 48).

If the leak is not covered under this insured **event**, **we** provide some limited cover for exploratory costs under additional cover 'Exploratory costs where a leak is not covered under insured **event** 'Escape of liquid''. See page 43.

What we exclude

- loss or damage caused by **flood** or storm surge;
- wear and tear, or **loss** or **damage** by the escape of liquid occurring as a result of a gradual process of leaking, splashing, dripping or overflowing over a period of time when **you** could reasonably be expected to be aware of this condition;
- the cost of repairing or replacing the item from which the liquid escaped;
- loss or damage caused by escape of liquid that has not caused permanent damage to **your home building** or **home contents**;
- **loss** or **damage** caused by escape of liquid from agricultural pipes, a watering system or hose;
- **loss** or **damage** caused by escape of liquid from a portable container, such as plant pot, vase, terrarium, fish bowl, beverage container, saucepan, bucket or watering can;
- **loss** or **damage** to retaining walls;
- **loss** or **damage** to, or caused by, a leaking shower floor or base, shower cubicle walls, shower glass screening or doors;
- costs if **you** repair or renovate a damaged area of the **home building** before **we** can inspect it and find the cause;
- broken, worn or aged tiles or grouting in walls in bathrooms, kitchens or laundries unless the damage is caused by liquid leaking from pipes in walls or floors (not forming part of a shower cubicle wall, floor or base);
- loss or damage caused by wear, tear, rust, fading, rising damp, mould, mildew, corrosion, rot.

Impact

What we cover

Loss or damage caused by impact at the **premises** from:

- a falling tree or part of a falling tree including the roots;
- power poles;
- TV antennas or satellite dishes, communication aerials or masts;
- **watercraft, aircraft**, motor **vehicles** or trailers;
- an object falling from a motor **vehicle** or **aircraft**;
- space debris or meteorites.

What we exclude

- loss or damage caused by **flood**, storm surge or actions or movements of the sea;
- loss or damage to driveways, paths, paving or underground services caused by a road vehicle, crane or earthmoving equipment;
- any portion of a fence or wall that is not owned by **you**;
- the cost of removing or lopping fallen trees or branches that have not damaged **your home building** or **home contents**;
- loss or damage caused by trees being lopped, felled or transplanted by **you** or someone authorised by **you**;
- the removal of tree stumps or roots still in the ground.

Damage by an animal

What we cover

Loss or damage caused by an **animal**.

What we exclude

Loss or damage caused by:

- any **animal** owned by **you** or that **you** are responsible for;
- any **animal** allowed onto the **premises** by **you** or anyone living at the **premises**;
- insects, vermin or rodents, **BUT we** will cover **damage** they cause if it is covered under the following insured events:
 - ‘Fire’ (see page 35);
 - ‘Escape of liquid’ (see page 37).
- **animals** pecking, biting, clawing, scratching, tearing or chewing the **home building** or **home contents**, or damage caused by their urine or excrement.

BUT we will cover damage caused by an animal (**except** insects, vermin or rodents) which becomes accidentally trapped inside the **home building** or unit which is used or intended to be used by you primarily as a place of residence and which does not belong to **you** or anyone living at the **premises**.

Explosion

What we cover	What we exclude
<p>Loss or damage caused by an explosion.</p>	<ul style="list-style-type: none">• the cost of repairing or replacing the tank or container that exploded;• loss or damage caused by nuclear or biological devices;• loss or damage caused by erosion, vibration, subsidence, landslip, landslide, mudslide, collapse, shrinkage or any other earth movement, BUT we will cover loss or damage caused by a landslide or subsidence you prove to have occurred within 72 hours of and directly because of, an explosion, and not because of erosion over time, structural fault or design fault.

Riot, civil commotion or public disturbance

What we cover	What we exclude
<p>Loss or damage caused by riot, civil commotion or public disturbance e.g. damage caused by a violent crowd moving down your street.</p>	<ul style="list-style-type: none">• loss or damage caused by you or someone who lives at the premises;• loss or damage caused by someone who entered the premises:<ul style="list-style-type: none">– with your consent;– with the consent of someone who had your authority to allow them access to the premises• loss or damage if you or someone living with you participated in the riot, civil commotion or public disturbance;• loss or damage caused by nuclear or biological devices.

Malicious acts and vandalism

What we cover	What we exclude
<p>Loss or damage caused by malicious acts or vandalism.</p>	<ul style="list-style-type: none">• loss or damage caused by you or someone who lives at the premises;• loss or damage caused by someone who entered the premises:<ul style="list-style-type: none">– with your consent;– with the consent of someone who had your authority to allow them access to the premises• loss or damage caused by malicious acts or vandalism if the home building has been unoccupied for 60 consecutive days immediately before the malicious acts or vandalism.

Extra Covers

If **we** accept **your** claim for **loss** or **damage** to the **home building** or **home contents** as a result of an insured **event** and the claim is covered under policy sections A or B, **we** will also provide the following Extra Covers. The Extra Covers and their limits are paid in addition to the **insured amount** shown in your **policy schedule** for loss or damage to **home building** and **home contents**.

In some circumstances, **we** may decide to make an Extra Cover available to you before **we** accept or agree to pay **your** claim. If **we** do this, it does not mean that **your** claim has or will be accepted or that **we** have otherwise agreed to pay **your** claim. If **we** later decide that **we** cannot accept or pay **your** claim then the cover available under an Extra Cover will not apply and **we** may decide to recover the costs from **you**.

There are some things **we** do not cover under these Extra Cover and these are shown in the 'What we exclude' section of the following tables on pages 40 to 42 and in the 'General exclusions' on pages 20 to 22.

Other repair/rebuilding costs

What we cover

When **we** are rebuilding or repairing damaged parts of the **home building**, **we** will pay the reasonable and necessary costs:

- of any temporary work required to make the damaged or destroyed home building and **premises** safe;
- for the services of professionals, such as architects or surveyors, to repair or rebuild the **home building**;
- to make the damaged parts of the **home building** comply with the current home building regulations and laws.

The most **we** will pay under this Extra cover for any one insured event is 15% of the **home building insured amount** shown in **your policy schedule**.

What we exclude

The cost of:

- removing tree stumps and roots still in the ground;
- removing or lopping fallen trees or fallen branches that have not damaged the **home building**;
- upgrading undamaged parts of **your** home to comply with the current building regulations and laws;
- making the **home building** comply with home building regulations and laws that existed but were not complied with when **your** home building was originally built or altered.

Removal of debris

What we cover

When you have home building cover

The reasonable and necessary costs of:

- demolishing and removing the damaged parts of the **home building** from the **premises**;
- the removal of debris when required in order to repair the **home building**.

The most **we** will pay for any one insured event is 15% of the **home building insured amount**.

When you have home contents cover

The reasonable and necessary costs to dispose of **your** damaged **home contents**.

The most **we** will pay for any one insured event is 15% of the **home contents insured amount**.

What we exclude

When you have home building cover

The cost of:

- removing tree stumps and roots still in the ground;
- removing any debris, including fallen trees or branches that have not damaged the **home building**.

When you have home contents cover

Disposal, storage or removal of anything that is not defined as **home contents**.

Temporary Accommodation when you have home building cover

What we cover	What we exclude
<p>When an insured event damages your home building to the extent you cannot live there, and we agree, we will pay for your reasonable temporary accommodation costs for the time it will take to repair or rebuild your home building to a liveable condition.</p> <p>We will also pay for the temporary accommodation for your domestic pets in a commercial boarding establishment for the same period that we pay for your temporary accommodation.</p> <p>The most we will pay is:</p> <ul style="list-style-type: none">• up to 4 weeks in short term accommodation agreed to by us (e.g. standard rates for a hotel, motel or serviced apartment), then if necessary;• up to another 48 weeks in residential accommodation of a similar standard to your home building. <p>We will also pay the reasonable and necessary costs for:</p> <ul style="list-style-type: none">• redirection of mail from the premises for up to 52 weeks;• utility connection costs at the temporary accommodation residence. <p>If you ask us we will also provide assistance with bond payment, however any amount we pay in bond must be repaid to us by you. We may deduct this amount from any amount payable to you.</p> <p>The most we will pay under this Additional feature is 10% of the home building limit of liability shown on your policy schedule and the longest period you can claim for is 52 weeks.</p>	<p>Temporary accommodation costs:</p> <ul style="list-style-type: none">• if damage to the home contents is the reason why you cannot live at the home building;• if you do not intend to repair or rebuild the home building;• if before the loss or damage occurred, you had planned to demolish the home building;• if you do not need to pay for temporary accommodation;• if you had not intended to be living at your home building during the repair period (had your home building not been damaged);• beyond the period it should reasonably take to replace or repair the home building so you can live there again;• any costs related to any business activity operated at the home building.

Temporary Accommodation when you have home contents cover for tenants or strata title owners

What we cover	What we exclude
<p>When you have home contents cover and we agree you cannot live at the premises while it is being repaired or rebuilt and:</p> <ul style="list-style-type: none">• if you own and live in a unit, we will pay the reasonable temporary accommodation costs for you and your pets that you normally keep at the premises; or• if you are a tenant, we will pay any reasonable extra rent costs for temporary accommodation for you and your pets that you normally keep at the premises.	<ul style="list-style-type: none">• any amounts you are able to recover for temporary accommodation costs under another insurance policy including any insurance policy taken out by a body corporate or similar entity;• Temporary accommodation or extra rent costs:• if you do not need to pay for temporary accommodation;• if the premises was not your principal place of residence at the time of the loss or damage;• if you had not intended to live at the premises during the repair or rebuild period;

What we cover (cont.)	What we exclude (cont.)
<p>We will also pay the reasonable and necessary costs for:</p> <ul style="list-style-type: none"> • redirection of mail from the premises; • utility connection costs at the temporary accommodation residence; • relocation of your home contents to and from the temporary accommodation residence; • assistance with bond payment if required, however, any amount we pay in bond is recoverable from you by us. We may deduct this amount from any amount payable to you. <p>The most we will pay under this Additional feature is 20% of the home insured amount and the longest period we will cover is 52 weeks.</p>	<ul style="list-style-type: none"> • beyond the period it should reasonably take to replace or repair the home building or unit to a liveable condition; • related to any business activity carried on by you.

Storage of undamaged home contents

What we cover	What we exclude
<p>If you make a claim for loss or damage to your home contents due to an insured event and we agree that the undamaged home contents cannot be kept at the premises as a result of the insured event, we will pay the reasonable costs to store the undamaged home contents until your home contents can be kept at the premises.</p> <p>The most we will pay under this Additional feature for the storage of undamaged home contents is 10% of the home contents insured amount shown on your policy schedule.</p> <p>Note:</p> <p>We will pay for any loss or damage to the undamaged home contents caused by an insured event while they are at the place of storage but only up to the home contents insured amount limit of liability shown on your policy schedule (less any amount paid for loss or damage to your home contents as part of the original claim).</p> <p>This cover stops when your policy is cancelled or lapses or we stop paying for storage for your undamaged home contents, whichever happens first. All the conditions, limits and exclusions of this policy apply to this cover.</p>	<ul style="list-style-type: none"> • storage costs once we decide your home contents can be returned to the premises; • storage costs outside of Australia; • loss or damage that is excluded by this policy; • if your temporary accommodation is the place of storage.

Additional Benefits

We also provide the cover set out under the following Additional Benefits. A claim under an Additional Benefit can be made independently of a claim for loss or damage to the **home building** or **home content**.

The cover provided is shown in the 'we cover' section on the tables on pages 43 to 44 and the limits are in addition to **your insured amounts**. In all cases the event that causes the **loss** or **damage** must happen during the **period of insurance**.

There are some things **we** do not cover and these are shown in the 'What we exclude' section of the following tables on pages 43 to 44 and in the 'What we do not cover – general exclusions' on pages 20 to 22.

All of the conditions, limits and exclusions of this **policy** apply to these Additional Benefits covers unless the cover says otherwise.

Food and medication spoilage

What we cover	What we exclude
<p>If you have home contents cover, we will cover spoilage of refrigerated food, frozen food and refrigerated medicines at the premises caused by:</p> <ul style="list-style-type: none">• an insured event;• the sudden escape of refrigerant fumes;• electrical or electronic breakdown, failure or malfunction;• the public electricity supply failing to reach the premises. <p>The most we will pay under this Additional cover for any one event is \$400.</p> <p>If you make a claim under this Additional cover no excess applies.</p>	<p>Loss or damage:</p> <ul style="list-style-type: none">• to a refrigerator or freezer caused by spoiled food;• arising from or caused by industrial action;• arising from an accidental act or omission of a power supply authority;• arising from the deliberate act or omission of a power supply authority unless this action is in the interest of public safety.

Motor burnout

What we cover	What we exclude
<p>The burning out or fusing of electric motors, that happens during the period of insurance, in household equipment or appliances which are part of the home building or home contents and less than 7 years old.</p> <p>Cover includes the reasonable cost to repair or replace:</p> <ul style="list-style-type: none">• the electric motor or compressor containing the motor;• an entire sealed unit, filter, dryer and re-gassing if the electric motor is inside a sealed refrigeration or air conditioning unit;• a swimming pool water pump, combined with its electric motor, if the replacement pump motor cannot be bought on its own. <p>If an electric motor or motor in an appliance cannot be repaired or replaced, we will pay the replacement cost of an equivalent motor or motor in a sealed unit of the same specification and standard available today. We will not pay for the replacement of the whole appliance.</p>	<ul style="list-style-type: none">• any motor or sealed unit aged 7 years or more;• the cost of extracting or reinstalling a submersible pump;• any amount you can recover under a manufacturer's guarantee or warranty;• loss or damage to motors forming part of equipment used in conjunction with your trade, business activity or occupation;• loss or damage to a refrigerator or freezer caused by spoiled food• we will also not pay these costs if you have not insured the home building and the household electrical machine or appliance forms part of the home building.• we will also not pay these costs if you have not insured your home contents and the household electrical machine or appliance forms part of your home contents.

Exploratory costs where a leak is not covered under insured event 'Escape of liquid'

What we cover	What we exclude
<p>If you have home building cover and an event causes liquid to escape at the premises and causes loss or damage to the home building, we will pay the cost to locate the source of liquid escaping or overflowing at the premises and to repair and restore any damage</p>	<p>We will not pay to repair or restore any part of the home building where the damage to the home building is not caused by our exploratory work.</p>

What we cover (cont.)

to the **home building** caused by **our** exploratory work provided:

- the escape or overflow of liquid first happens during the **period of insurance**; and
- **damage** caused by such escape of liquid is not covered under insured event 'Escape of liquid'.

The most **we** will pay under this Additional benefit to locate the source of liquid escaping and to repair or restore any damage caused by our exploratory work is \$1,000 for each **event**. No **excess** applies under this Additional cover.

Home contents temporarily removed

What we cover

If **you** have **home contents** cover and **you** temporarily remove **your home contents** from the **premises** to:

- another residence in Australia in which **you** are temporarily residing;
- a bank deposit box in Australia;

they are covered for **loss** or **damage** caused by an insured event at the new location. The longest period that **we** will cover **home contents** temporarily removed is 90 consecutive days unless they are stored in a bank deposit box.

The most **we** will pay under this Additional benefit for any one insured **event** is 25% of the **home contents insured amount** shown on **your policy schedule**.

What we exclude

Loss or damage:

- caused by theft without forced entry into the temporary residence;
 - to cash, smart cards, phone cards, documents able to be cashed or traded, vouchers, money orders or stamps (not in a set or collection);
 - to **home contents** in a motorised vehicle, caravan, motorhome, camper trailer, slide-on-camper, slide-on trailer, mobile home, trailer or horse float;
 - caused to **home contents** while in transit. Cover may be available if the item damaged is insured under extra cover for portable valuables. See page 44 for details of extra cover for portable valuables;
 - that is not covered by an insured **event**;
 - where **we** have already agreed to cover the relevant loss or damage under another Additional Benefit or Extra cover.
-

Optional Extra cover for portable and valuable items

For an extra premium **you** can ask **us** to add Extra cover for portable and valuables Items' to **your policy**. **You** can ask **us** to add either the 'Extra cover unspecified items' or the 'Extra cover specified items' or both to **your home contents policy**. This Extra cover for **your** portable valuables has its own **excess** of \$100. The **Home Property or Home Contents excess** does not apply to Extra Cover for portable and valuable items.

If **your policy schedule** shows **you** have this Extra cover, the cover provided is as shown in the 'We cover' section of the following tables on pages 45 to 46. Extra cover unspecified items and Extra cover specified items are covered for accidental loss or damage occurring during the period of insurance and a claim under Extra cover for portable valuables does not require an insured event to have occurred.

There are some things **we** do not cover under this Extra cover and this is shown in the 'What we exclude' section of the following tables on pages 45 to 46 and in the 'What we do not cover - general exclusions' on pages 20 to 22. All of the conditions, limits and exclusions of this **policy** apply to this Extra cover unless the cover says otherwise.

Extra cover unspecified items means items that are valuable personal belongings that are normally carried with **you** away from the **premises** such as:

- jewellery and watches;
- handbags and wallets;
- sporting, recreational and leisure goods and equipment, **BUT** not whilst they are being used. However **we** will cover bicycles whilst in use **BUT** not while they are being used for racing or pace-making;
- portable electronic and electrical items and their accessories; **and**
- photographic and optical equipment.

But, the following items cannot be insured as 'extra cover unspecified items' and must be specified in your policy schedule as 'extra cover specified items' regardless of their value:

- laptops;
- mobile or satellite phones;
- electronic tablets (e.g. iPads);
- personal digital assistants;
- GPS or navigational devices;
- motorised golf carts with **4** wheels, wheelchairs, mobility scooters or similar medical aids designed to assist with physical disabilities.

Extra cover unspecified items

What we cover	What we exclude
<p>Accidental loss or damage to Extra cover unspecified items occurring during the period of insurance.</p> <p>Items that can be covered as an Extra cover unspecified item, subject to our agreement and you paying us an extra premium, are items that are valuable personal belongings that are normally carried with you away from the premises such as:</p> <ul style="list-style-type: none"> • jewellery and watches; • handbags and wallets; • sporting, recreational and leisure goods and equipment, BUT not whilst they are being used. However we will cover bicycles BUT not whilst being used for racing or pace-making; • portable electronic and electrical items and their accessories; and • photographic and optical equipment. <p>The most we will pay under this Extra Cover is \$1,000 per item, pair, set or collection and for all Extra Cover unspecified items, up to the insured amount shown on your policy schedule.</p>	<p>Loss or damage:</p> <ul style="list-style-type: none"> • outside of Australia and New Zealand unless the unspecified item is jewellery or a watch and it is lost or damaged whilst being worn by you or whilst in a secure safe and only if it is outside of Australia and New Zealand for less than 31 consecutive days; • to sporting or recreational and leisure goods and equipment whilst in use but we will cover bicycles whilst in use, but not whilst being used for racing or pace-making; • for any unspecified items that are used for any business activity; • tools of trade; • any home contents which are on exhibit or up for sale; • accessories (including keys and keyless electronic starters) to any: <ul style="list-style-type: none"> – motor vehicle, motorcycle or trailer; – powered watercraft; – sailing craft unless it is an accessory to a sailboard; – aircraft unless it is an accessory to a model aircraft with a wingspan no longer than 1.5 metres. • restoration of your electronic records; • cash, smart cards, phone cards, documents able to be cashed or traded, vouchers, money orders or stamps (not in a set or collection);

What we exclude (cont.)

- laptops, mobile or satellite phones;
 - electronic tablets (e.g. iPads) and personal digital assistants;
 - GPS or navigational devices;
 - motorised golf carts with 4 wheels, wheelchairs, mobility scooters or similar medical aids designed to assist with physical disabilities;
 - any item listed as an extra cover specified item.
 - Any item covered under Policy Section 7 Portable & Valuable items
-

Extra cover specified items

What we cover

Accidental loss or damage to an Extra Cover specified item occurring during the **period of insurance**, up to the item's **insured amount** shown on **your policy schedule**.

Items that can be covered as an extra cover specified item, subject to **our** agreement and **you** paying us an extra premium, are:

- valuable personal belongings that are normally carried with **you** away from the **premises**, such as:
 - jewellery, watches, handbags, wallets;
 - sporting, recreational and leisure goods and equipment;
 - portable electronic and electrical items and their accessories;
 - photographic and optical equipment;
 - laptops, mobile or satellite phones;
 - electronic tablets (e.g. iPads) and personal digital assistants;
 - GPS or navigational devices.
- motorised golf carts with 4 wheels, wheelchairs, mobility scooters or similar medical aids designed to assist with physical disabilities.

What we exclude

Loss or damage:

- outside of Australia and New Zealand unless the specified item is jewellery or a watch and it is lost or damaged whilst being worn by **you** or whilst in a secure safe and only if it is outside of Australia and New Zealand for less than 31 consecutive days;
- to sporting or recreational and leisure goods and equipment whilst in use. However **we** will cover bicycles whilst in use providing they are not being used for racing or pace-making;
- to extra cover specified items that are used for any business activity;

Using property in connection with a profession, business or trade.

- restoration of **your** electronic records;
- any **home contents** which are on exhibit or up for sale.

Any item covered under Policy Section 7 – Portable & Valuable items of the Policy

Home Building claims

How we settle your claim for loss or damage to the home building

If **we** agree to pay a claim for **loss** or **damage** to the **home building** caused by an **insured event**, **we** will decide if **we** will:

- repair damage to the **home building**;
- rebuild the **home building**;
- pay **you** what it would cost **us** to repair or rebuild the **home building**;

- pay **you** the **home insured amount** shown on **your policy schedule**;
- give **you** a voucher or store value card for the amount it would cost **us** to repair or rebuild an item.

If **we** rebuild (or pay **you** what it would cost **us** to rebuild), **we** will rebuild on a 'new for old' basis.

If **we** repair (or pay **you** what it would cost **us** to repair), **we** will, at our option, repair on a 'new for old' basis or repair to a similar condition to what the building was in before the loss or damage occurred.

If we agree that **you** can rebuild the **home building** at a different site, **we** will not pay more than it would cost **us** to rebuild at the **premises**.

When repairing or rebuilding the **home building**, if **we** agree, **you** can choose to change the design of the **home building** or upgrade parts of it, providing **you** pay the extra costs of doing this. If **you** want to downsize the **home building** for less cost than **you** are entitled to claim, **we** will not pay more than it costs **us** to rebuild the downsized **home building**.

We will not:

- pay any more than the insured amount shown on **your policy schedule**;
- pay extra to repair or rebuild the **home building** to a better standard, specification or quality than it was before the loss or damage occurred except as stated definition of 'new for old';
- fix a fault that existed before the **loss** or **damage** occurred;
- pay any decrease in the value of a pair, set or collection when the damaged or lost item forms part of the pair, set or collection. **We** pay only for the repair or replacement of the item which was damaged or lost.

If **you** decide not to repair or replace the **home building**, or do not commence repair or replacement within 6 months of the date the **loss** or **damage** occurred, **we** will only compensate **you** for what it would have cost to repair or replace the **home building** at the date of the **loss** or **damage**.

When we authorise repairs or rebuilding of the home building

If **we** need to source material in order to repair or rebuild the **home building**, **we** will do **our** best to obtain new materials that are the same type, standard and specification. If the same is not available, **we** will use materials of a similar type, standard and specification that are commercially available and compliant with current building regulations.

We will enter into any building contract with the selected repairer and/or supplier on **your** behalf. **We** will oversee the repairs and keep **you** informed of their progress.

When we cannot match materials

If **we** cannot find materials to match undamaged parts, **we** will use the closest match available to **us**.

If **you** are not satisfied with the materials **we** find as the closest match before **we** repair the **home building**:

If **we** agree, **you** can pay the extra cost of replacing undamaged parts of the **home building** to achieve a uniform appearance.

Or **we** will pay **you** what it would have cost **us** to repair or rebuild the damaged part.

Repairing or rebuilding damaged parts of the home building

We will only repair or rebuild the parts that are damaged in the insured event covered by **your policy**. **You** cannot claim to replace undamaged parts of the **home building** to create a uniform appearance, such as when:

- **one garage door is damaged**

we will only replace or repair the damaged one, not other doors.

- **roof tiles are damaged**

we will only replace the damaged ones, not the undamaged tiles, even if the undamaged tiles are faded and do not match the new ones used for repairs.

- **roof sheeting is damaged**

we will only replace the damaged roof sheeting, not the undamaged roof sheeting, even if the closest match available to **us** is a different shade or colour to the undamaged roof sheeting.

- **an external wall is damaged**

we will replace the damaged parts of the wall, not undamaged areas of the wall or other sides of the **home building**.

For the limited circumstances where **we** will repair or rebuild undamaged parts read pages 47 to 48.

When we will repair or rebuild undamaged parts

If **we** cannot match the materials with the undamaged parts, **we** will pay extra to create a uniform appearance when:

- **wall tiles are damaged**

we will replace undamaged wall tiles in the same room, stairs, hallway or passageway* so they match or complement new tiles used for repairs.

- **other wall coverings are damaged**

(e.g. paint, wallpaper, wood panels, but not tiles) **we** will pay extra to paint, wallpaper or replace undamaged wall coverings in the same room, stairs, hallway or passageway* where the damage occurred.

- **floor coverings are damaged** (including tiles)

we will pay extra to replace continuously joined undamaged floor coverings of the same material in the same room, stairs, hallway or passageway* where the damage occurred.

- **kitchen cabinets, cupboards or benchtops are damaged**

see 'Repairing or replacing kitchen cabinets, cupboards or benchtops' on page 49.

*For the meaning of these terms 'same room, stairs, hallway or passageway' refer to page 50.

Repairing or replacing kitchen cabinets, cupboards or benchtops

We will repair damaged parts of your kitchen

We will repair the damaged parts of **your** kitchen cupboards, cabinets or benchtops.

When we will replace undamaged parts of the kitchen

To create a uniform appearance, **we** will pay extra to replace undamaged parts of the same cupboard, cabinet or benchtop so that they match the repaired parts.

Same cabinet, cupboard or benchtop means:

- those parts continuously joined to the damaged parts (this is one 'section');
- made out of the same materials; **and**
- on the same level.

See the case study on page 49 for a visual explanation.

Note:

Sometimes replacing the benchtop, door fronts or drawers in the undamaged area is all that is necessary to create a uniform appearance. **We** will decide what is necessary depending on the circumstances.

Case study

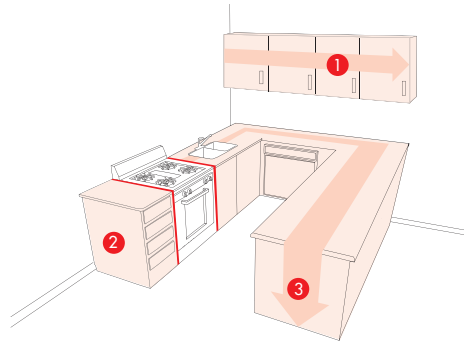
The extent of repairs carried out to match undamaged areas in a kitchen.

To match undamaged areas to the damaged parts, they must be:

- continuously joined; **and**
- on the same level; **and**
- made of the same material.

In this kitchen case study

Areas 1, 2 and 3 will be treated as separate sections. The oven breaks up the bottom level into two sections (e.g. if only section 2 is damaged, **we** will not pay to replace sections 1 and 3).



*What we mean by same room, stairs, hallway or passageway

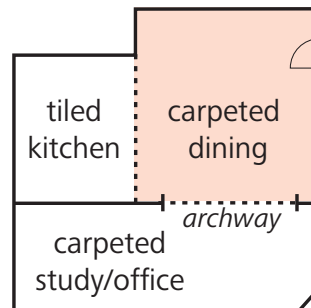
Same room

A room is an area starting and finishing at:

- its nearest walls;
- nearest doorway, archway or similar opening of any width;
- a change in the floor or wall covering.

A hallway next to a room is not the same room, even if it has the same floor or wall covering as the room.

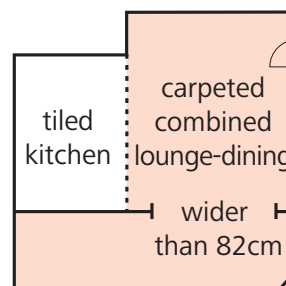
Any archway or similar opening separates a room **unless** it is a combined lounge-dining room (see page 50).



Combined lounge-dining room

We will only combine rooms with a shared doorway, archway or similar opening when:

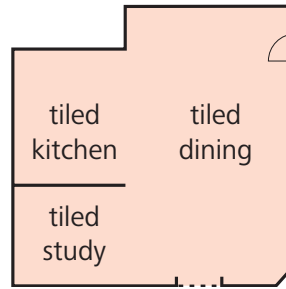
- they are lounge and dining rooms; **and**
- the shared doorway, archway or similar opening is wider than **82cm**; **and**
- the floor or wall covering is the same in both rooms.



Open plan areas

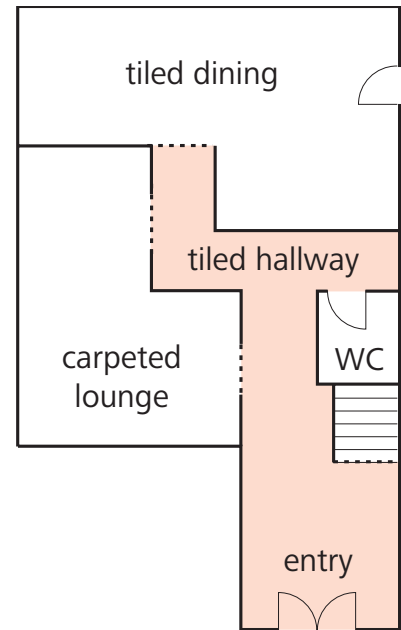
When there is no wall, archway, doorway or similar opening, the room continues until:

- a change in the floor or wall covering;
- the nearest wall, doorway, archway or similar opening.



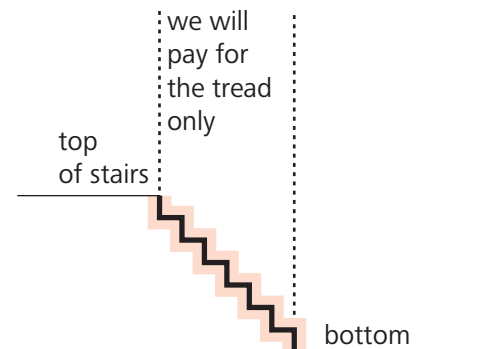
Same passageway or hallway

A passageway or hallway has the same meaning as a room. **We** will not combine a hallway and a room.






Same stairs

Side view of stairs.



Legend

-  Shaded areas show the area that we consider the same room, stairs, hallway or passageway.
-  Solid lines represent floor to ceiling walls.
-  Dotted lines show boundaries of a room or area where there is no physical barrier present (e.g. no wall or door).

Dealing with defects

If a known defect is the cause of the damage

We do not pay for **loss** or **damage** caused by a defect, structural fault or design fault at the **home building** that **you** knew about (or should reasonably have known about) and did not fix before the **loss** or **damage** occurred.

If an unknown defect is the cause of the damage

If an insured **event** covered by **your** policy **damages** the **home building** and an unknown defect was the cause or part of the cause, **we** will pay for the resulting **damage**. If the unknown defective part of the **home building** is also damaged by the same incident, **we** will fix this as well.

We do not rectify structural or design faults

When **we** accept a claim, **we** will not pay extra to rectify a structural or design fault at the **home building** that **you** knew about (or should reasonably have known about). **We** will only pay **you** what it would have cost us to fix the **damage** from the insured event covered by **your** policy or if **we** agree, **you** can pay us the extra amount it costs to rectify the structural or design fault at the **home building**.

If undamaged defective parts of the home building will not support repairs

If undamaged defective parts of the **home building** **you** knew about (or should reasonably have known about) will not support repairing the damage caused by an insured **event** covered by **your** policy, **we** will only pay what it would have cost **us** to repair the damage had the **home building** not been defective.

For known defects or faults

Once **you** become aware of a defect, structural or design fault at the **home building**, **you** must rectify it as soon as possible because there is no cover for **loss** or **damage** due to that defect. If **you** do not rectify the defect or fault, **you** may not be covered or **we** might not offer a renewal of **your** policy.

Lifetime guarantee on home building repairs

When **we** repair or rebuild the **home building**, **we** guarantee the quality of materials and workmanship of that work for the lifetime of the **building** if **we**:

- authorise;
- arrange; **and**
- pay the builder or repairer directly for this work.

What we guarantee

We guarantee the material used and standard of the workmanship to be free of defects. If a defect arises in the lifetime of the **home building** as a result of poor quality workmanship or use of incorrect materials, then **we** will rectify the problem.

This guarantee does not apply:

- to repairs **you** authorise or make yourself;
- to **loss, damage** or failure of any electrical or mechanical appliances or machines;
- to wear and tear consistent with normal gradual deterioration of the **home building** (e.g. paint peeling off after its expected life cycle, wood rotting from moisture in the air or ground, roofs weathering or a hot water tank leaking after its guaranteed life);
- where **we** agree with a repair quote and **we** give **you**, or the builder or repairer, payment for the cost of the repairs and **you** arrange the repairs.

Home contents claims

How we settle your claim for loss or damage to your home contents (including portable valuables) claims

If **we** agree to pay a claim for loss or damage to **your home contents** (including extra cover portable valuables) **we** will decide if **we** will:

- repair damage to **your home contents**;
- replace **your home contents** 'new for old';

- pay **you** what it would cost us to repair or replace **your home contents** or any lower limit that applies;
- pay **you** the insured amount for **your home contents** or any lower limit that applies;
- give **you** a voucher, store credit or stored value card for the amount it would cost **us** to repair or replace **your home contents**.

If **we** replace (or pay **you** what it would cost **us** to replace), **we** will do so on a 'new for old' basis.

If **we** repair (or pay **you** what it would cost us to repair), **we** will at our option do so on a 'new for old' basis or repair to a similar condition to what **your home contents** were in before the loss or damage occurred.

Unless **we** tell **you** otherwise, **we** will deduct any amounts **you** owe **us** from any amount **we** owe **you**.

If you want to change your home contents

When repairing or replacing your **home contents**, if **we** agree, **you** can choose to change the make and model of the **home contents** item or upgrade to a different make and model of it, providing **you** pay the extra costs of doing this. If **you** want to downsize the **home contents** item for less cost than **you** are entitled to claim, **we** will not pay more than it costs **us** to repair or replace the downsized **home contents** item.

We will not:

- pay any more than the 'contents' **insured amount** shown on **your policy schedule**, or if **your home contents** item has a fixed limit **we** will not pay more than the limits for any one insured **event** shown in the table on page 32;
- pay extra to repair or replace **home contents** to a better standard, specification or quality than it was before the **loss** or **damage** occurred **except** as stated in the following meaning of 'new for old';
- fix a fault that existed before the **loss** or **damage** occurred;
- pay any decrease in the value of a pair, set or collection when the damaged or lost item forms part of the pair, set or collection. **We** pay only for the repair or replacement of the item which was damaged or lost.

Obsolete electrical appliances

For obsolete electrical appliances such as outdated computers, laptop computers, mobile electronic equipment or TVs, 'new for old' means, replacing or repairing to an equal specification (function, type, capacity). If this is not available, it means to the nearest better specification available, but only as circumstances permit. It can be a different brand.

We do not insure electrical or electronic items that are no longer able to be used by **you** for the purpose they were intended, or which is now useless or obsolete.

Replacing CDs and DVDs

When **we** replace or pay to replace CDs, DVDs or other devices that contain electronic files or data:

- domestically-produced (or 'burned') CDs, DVDs or other devices will be replaced as blank media, or **we** will pay the cost of blank media;
- commercially-produced CDs or DVDs or other devices will be replaced or **we** will pay the cost of purchasing replacement commercially-produced CDs or DVDs or other devices.

We do not cover the costs of replacing electronic files for which **you** do not have a licence.

Paintings, pictures, works of art, sculptures, ornaments, art objects, collections, sets, memorabilia and antiques (not jewellery)

For these items and other items that cannot be replaced 'new for old' or repaired, **we** will pay what it would have cost to buy the item immediately before the loss or damage occurred.

When we repair or replace your home contents

If **we** choose to repair damage to your **home contents** or replace **your home contents**, **we** will repair or replace with items or materials that are reasonably available at the time of repair or replacement from Australian suppliers.

We will do our best to replace to the same type, standard and specification (but not brand) as when new. If the same is not available, **we** will replace with items or materials of a similar type, standard and specification when new. It can be a different brand.

When we cannot match materials

If **we** cannot find a **home contents** item **we** will use the closest match reasonably available to **us**.

If **you** are not satisfied with what **we** choose before **we** repair **your home contents**:

If **we** agree, **you** can pay the extra cost of replacing undamaged parts of **your home contents** to achieve a uniform appearance.

Or **we** will pay **you** what it would have cost **us**, but only if **we** agree to this. **We** usually insist on replacing jewellery if **your** cover is adequate.

Items that form part of a set or collection

We will only repair or replace **home contents** that are lost or damaged by an incident covered by your policy. **You** cannot claim to replace undamaged parts of **your home contents** (e.g. when a lounge chair which is part of a suite is damaged beyond repair. **We** will pay to replace that chair, not the whole lounge suite).

When we will repair or replace undamaged home contents

We will only repair or replace **home contents** that are lost or damaged by an incident covered by **your** policy. **You** cannot claim to replace undamaged **home contents** or undamaged parts of **home contents**.

But there are limited circumstances where **we** will repair undamaged parts of **home contents** to create a uniform appearance, when:

- **internal blinds and curtains** if **we** can't match the new material or parts with the undamaged ones, if necessary, **we** will pay extra to replace undamaged blinds and curtains in the same room, stairs, hallway or passageway* where the damage occurred.
- **carpets or other floor coverings** if **we** can't match the new material or parts with the undamaged ones, if necessary, **we** will pay extra to replace undamaged floor carpets and other coverings in the same room, stairs, hallway or passageway* where the damage occurred.

*See page 50 for 'What we mean by same room, stairs, hallway or passageway'

Lifetime guarantee on home contents repairs

When **we** repair **your home contents**, we guarantee the quality of materials and workmanship of that work for the lifetime of the **home contents** if **we**:

- authorise;
- arrange; **and**
- pay the repairer directly for this work.

What we guarantee

We guarantee the material used and standard of the workmanship to be free of defects. If a defect arises in the lifetime of **your home contents** as a result of poor quality workmanship or use of incorrect materials, then **we** will rectify the problem. It is a condition of **our** guarantee that **we** reserve the right to decide who will undertake the rectification work.

This guarantee does not apply:

- to repairs **you** authorise or make yourself;
- to loss, damage or failure of any electrical or mechanical appliances or machines;
- to wear and tear consistent with normal gradual deterioration of your **home contents** (e.g. paint peeling off after its expected life cycle);
- where **we** agree with a repair quote and **we** give **you**, or the repairer, payment for the cost of the repairs and **you** arrange the repairs.

Home Claims - How to establish your loss

Establish an incident took place

When making a claim **you** must be able to prove that an insured **event** covered by **your** policy actually took place. If **you** do not do this, **we** will not be able to pay **your** claim.

Describe your loss or damage

You must also give **us** accurate and full details of what was lost, stolen or damaged and give **us** proof of value and ownership for items claimed if **we** request it.

When your home building or home contents are damaged

Allowing **us**, a repairer or an expert appointed to **us**, to look at what is damaged is usually all that is needed to prove **your** loss. Sometimes though **we** might ask **you** to produce recent photographs of the **home building** and/or **your home contents** or other evidence that supports the extent of the loss **you** have suffered. For valuable and badly damaged items, we may ask **you** to provide proof of ownership and value.

If **we** decide that **you** are unable to reasonably substantiate **your** claim, **we** might reduce or refuse your claim.

Definition of proofs

These terms are used in the following pages and are defined below.

Proof of purchase	Includes documents such as sales receipts or debit details on a credit card or bank statement. The proof of purchase should include the item description or code, a purchase price, date purchased and where the item was purchased.
Sales receipt	Includes the item description or code, a purchase price, date purchased and where the item was purchased.
Full description	The specifications particular to an item (e.g. brand and model for an electrical appliance or the title and artist of a CD).
Valuation	A document completed by an Australian qualified professional valuer before the loss occurred. This includes an item description, specifications and the cost to replace the item, in Australian dollars.
Close-up photograph	A photograph taken from one metre away from the item(s) that clearly shows the item(s).
Original operating manual	The original printed operation manuals that came with an item.
Manufacturer's box	The original box showing brand and model of the item.
Certificate of authenticity	The original documentation from the manufacturer.

How to prove ownership and value

For lost, damaged or stolen items that are no longer available for inspection, **you** must validate **your** claim by giving **us** details of when and where they were purchased and reasonable proof of ownership and value.

We have minimum proof requirements for some items set out on pages 52 to 53. Sometimes **we** might ask for more evidence to substantiate **your** claim to **our** reasonable satisfaction. A statutory declaration is not of itself considered acceptable evidence of proof of ownership and value.

Jewellery

Amount claimed for each item or set	Minimum proofs for assessment
Up to \$500	Details of when and where purchased and the price paid. If you are claiming for more than \$1,000 in total, we may ask you for more proof.
Over \$500 to \$1,000	One of the following: <ul style="list-style-type: none">• proof of purchase that identifies the item;• a close-up photograph clearly showing the item;• a full description and value from a jeweller obtained before the loss occurred
Over \$1,000 to \$3,000	Proof of purchase that identifies the item plus a full description of the item in writing from the jeweller you bought it from or a professional valuer.
Over \$3,000	Proof of purchase that identifies the item plus a valuation by a qualified jeweller or professional valuer. A close-up photograph might also help us .

Watches

Amount claimed for each watch	Minimum proofs for assessment
Up to \$1,000	If purchased over 12 months ago Details of when and where purchased and the price paid. If purchased new in the last 12 months One of the following: <ul style="list-style-type: none">• proof of purchase that identifies the item;• a certificate of authenticity;• an original operating manual;• the manufacturer's box;• a close-up photograph.
Over \$1,000 to \$2,000	One of the following: <ul style="list-style-type: none">• proof of purchase that identifies the item;• a certificate of authenticity;• an original operating manual;• the manufacturer's box;• a close-up photograph.

Amount claimed for each watch (cont.)	Minimum proofs for assessment (cont.)
Over \$2,000	<p>One of the following:</p> <ul style="list-style-type: none"> • proof of purchase that identifies the item; • a warranty, guarantee or certificate of authenticity showing the model or serial number; • a manufacturer's box if it has the model or serial number showing; • a valuation by a licenced member of the Auctioneers and Valuers Association of Australia.

Paintings, pictures, works of art, sculptures and art

Amount claimed for each item or set	Minimum proofs for assessment
Up to \$2,000	<p>If purchased over 12 months ago</p> <p>Details of when and where you purchased the item and the price paid.</p> <p>If purchased new in the past 12 months</p> <p>Proof of purchase that identifies the item.</p>
Over \$2,000	<p>One of the following:</p> <ul style="list-style-type: none"> • proof of purchase that identifies the item; • a valuation by the Auctioneers and Valuers Association of Australia.

If **we** decide that you are unable to reasonably substantiate **your** claim, even if you have provided the minimum proof set out in the tables on pages 52 to 53, **we** might reduce or refuse **your** claim.

Your excess

An **excess** is the amount **you** have to pay for each **event** or incident when **you** make a claim under policy sections A and B. Sometimes **you** might have to pay more than one type of **excess**. The amount and types of **excess** are shown on **your policy schedule** under the details of each policy section and are described in the following table:

The types of excesses are:

Your Excess	This excess applies to all claims you make under policy sections A and B in respect to each event or incident, unless your claim is under 'Optional Cover for portable valuables' or the policy section states that no excess applies to your claim.
Extra Cover Portable and Valuable Items excess	The excess that applies to a claim under this Extra Cover is \$100. This excess (and not your excess) applies to all claims you make under Extra Cover for Portable and Valuable items for loss or damage to your portable valuables only.
Unoccupied excess	This excess applies in addition to any other excess , unless stated otherwise in Policy sections A and B, if at the time of the incident covered by your policy , the home building has been unoccupied for more than 60 continuous days. The unoccupied excess is \$500.
Additional excess	In some circumstances, an additional excess may apply based on our assessment of the risk(s) we cover under Policy sections A and B. This excess is payable in addition to any other excess unless stated otherwise in these Policy sections or your policy schedule .

When you make a claim for loss or damage to both the home building and home contents

When both the **home building** and **home contents** at the one **premises** are insured with **us** under this **policy** and **your** claim is for loss or damage to the **home building** and to **home contents** arising from the one event, **you** must pay whichever is the highest of **your excesses** for Policy section A – Home Property Damage and Property section B – Home Contents (plus any other applicable **excess**).

When your claim is for loss or damage to both home contents and portable valuables

When **your** claim is for loss or damage to both **home contents** and portable valuables, the higher of 'Your excess' or Extra Cover for Portable and Valuable Items **excess**, plus the unoccupied **excess** (if applicable) and additional **excess** (if applicable), will be applied.

When your claim is for Extra Cover Portable Valuables Items only

An **excess** of \$100 is payable when **your** claim proceeds solely against Extra Cover for Portable and valuable Items.

When we may waive your excess

When **you** make a claim for damage to **your home building or home contents** and the incident covered by **your** policy was caused by another person (but not people within the definition of 'you') and **we** agree, **we** may waive the **excess** that would normally apply if **you** can give us the name and address of the person responsible for the damage or, if applicable, their registration details.

How to pay your excess

When **you** make a claim **we** will choose whether to deduct the applicable **excesses** from the amount **we** pay **you** or direct **you** to pay the **excesses** to **us** or to the appointed repairer or supplier. **We** may require **you** to pay the **excesses** in full before **we** pay **your** claim or provide any benefits under **your** policy. The fact **we** have asked for payment of **your excess** does not of itself mean that **your** claim has or will be accepted by **us** either in whole or in part.

Policy section C – Home Legal Liability

Legal Liability

We cover **your** legal liability to pay compensation for death or bodily injury to other people, or loss or damage to their property resulting from an **event** which happens anywhere in Australia or New Zealand and during the period of insurance:

- which is in connection with **your** ownership of the **home building** or land at the **premises**; **or**
- resulting from fixtures and fittings attached to the **premises** and **you** are legally responsible for such fixtures or fittings under a rental agreement; **or**
- if **you** are living in a unit, and/or own the unit and **your** legal liability is not covered under a building policy which covers that unit.

We will pay up to a maximum of \$20 million in total for all amounts **you** become legally liable to pay which are covered by this **Policy section** and result from any one **event**, including all associated legal costs **we** have agreed to pay.

When your home building is damaged

If we cover **loss** or **damage** to your **home building** caused by an **insured event** under Policy Section A and the building cover stops, **we** will cover **your** legal liability to pay compensation for death or bodily injury to other people, or loss or damage to their property resulting from an **event** which occurs:

- At the **premises** within 12 months of the time of the Insured loss **and** during the **period of insurance**; and
- Before repair or rebuild of the damage caused by the **insured event** and we have paid **you** the cost to repair or rebuild the **home building**.

You must take reasonable precautions to keep the **premises** free of obvious hazards for anyone coming onto the **premises**. This includes fencing off or securing damaged buildings and fencing any swimming pools, or **we** will refuse to pay a claim.

If **your home building** cover stops and **you** have **Home contents** cover under policy section B **we** will continue to cover **your** legal liability under Policy Section C resulting from an **event** which happens at the **premises** for up to 12 months.

What we do not cover

We do not cover legal liability that is caused by, arises from or involves:

1. Agreements you enter into

any agreement or contract **you** enter into, **but we will cover** your legal liability:

- if it would have existed had **you** not entered into the agreement or contract;
- if **your** liability is:
 - under a tenancy rental agreement; and
 - for damage to **your** landlord's property at the **premises** caused by fire or by water leaking from pipes, washing machines, dishwashers or water overflowing from a blocked bath or tub.

2. Aircraft

you using or owning any aircraft or the facilities to land or store aircraft, **but we will cover**:

- a remote controlled model or static toy aircraft with a wingspan up to 1.5 metres and weight no greater than 10 kilograms when used in strict accordance with Australian Civil Aviation Safety Regulations; or
- a kite designed to be held by a person on land or attached to a non-motor powered watercraft (e.g. a surf kite).

3. Animals

Any living creature, other than your domestic dog, cat or horse, including but not limited to livestock, birds, fish, vermin, insects.

4. Asbestos

exposure to or potential exposure to asbestos in any form.

5. Buildings, property or land not at the premises

you owning, occupying or renting any **building**, property or land not at the **premises** except for common property at the **premises** when **you** insure the **home contents** in that unit under this policy..

6. Building, altering or renovating

building work(s), including digging or excavation, being carried out at the **premises** where the total cost of building, alteration, addition or extending or any renovating is valued at more than \$50,000.

7. Business activity

any **business** activity, profession or occupation, including leasing **your Home building** as a commercial premises, but **we** will cover this if it relates to part-time, temporary care of a child or casual babysitting where **you** do not need to be registered or licensed to do this. **We** do not cover **your** liability arising out of the provision of any goods or services

8. Caravans and trailers

using or towing a caravan, mobile home or trailer.

9. Committee members or officials

your actions or duties as a committee member or director of a club or association, as a coach, referee or official at a game or organised sporting activity.

10. Death or injury

death or injury of:

- **you**;
- a child (born or unborn) under 18 years who is **your** child or the child of **your** spouse, de facto or partner;
- **your** pets;
- anyone who usually lives at the **premises**.

11. Fines, penalties and other damages

civil or criminal penalties or fines or aggravated, exemplary, punitive or multiple damages.

12. Illness or disease

Any virus, illness, disease or sickness **you** knowingly spread or failed to take due care to prevent spreading after **you** knew about it.

13. Legal actions in other countries

legal actions or legal claims brought against **you**, decided or heard in countries outside Australia or New Zealand.

14. Libel or slander

Any communication in any manner of a slanderous or defamatory statement

15. Molestation

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

16. Motor vehicles or motorcycles

the use or ownership of a **motor vehicle** or motorcycle or providing instructions to someone on how to use it unless at the time of the **event**, it was being used legally and did not have to be registered or insured under any type of compulsory third party insurance laws and was either:

- a remote controlled motor car;
- a wheelchair or a mobility scooter designed to accommodate physical disabilities or the elderly;

- a golf cart or buggy; or
- a domestic gardening equipment (e.g. ride-on mower).

17. Property owned by you or property in your physical or legal custody

damage to property which:

- is owned by **you** or **your** family, or anyone who usually lives with **you** at the **premises**;
- belongs to someone else and is in **your** physical or legal custody or control;
- is owned by **your** employer (e.g. you accidentally damage office equipment at **your** work place),

but **we** will cover **your** legal liability under a tenancy rental agreement when **your home contents** in **your** landlord's residential property are insured under **your** policy, for damage caused by:

- water leaking from pipes, washing machines, dishwashers or water overflowing from blocked baths or tubs;
- fire damage to **your** landlord's property.

18. Pollution

In connection with contamination or pollution of the land, air or water

19. Watercraft

using or owning any watercraft **unless** it is a sailboard, surfboard, wave board, canoe, kayak, non-motorised surf ski or remote controlled model watercraft.

20. Your employees

death or injury of **your** employees or damage to their property while they are working for **you**.

Home Covers Exclusions

The following exclusions apply to **your** Home Covers (Policy sections A, B and C) only.

You are not covered under Policy sections A, B or C for damage, loss, cost or legal liability that is caused by, arises from or involves:

1. Actions of the sea

any actions or movements of the sea.

2. Aircraft shock waves

the gradual effects of vibrations, or shock waves caused by aircraft travelling at high speeds unless **you** can clearly show **us** that the damage was caused by a single destructive incident (e.g. sonic boom).

3. Biological, chemical, other pollutant or contaminant

- any actual or threatened biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant; or
- any looting or rioting following the actual or threatened release of any biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant; or
- any action taken by a public authority to prevent, limit or remedy the actual or threatened release of any biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant.

But we will cover:

- fire damage that is covered by insured **event** 'Fire' ;
- **your** legal liability under 'Legal liability' cover, to the extent your legal liability arises from **your** use of pesticides or herbicides at the insured address;
- the cost to remove asbestos or its derivatives from the insured address during repairs or rebuilding if **we** have accepted a claim for loss or damage to **your home building** and **home contents**.

4. Breaking the law

- **you**, or someone with **your** knowledge or permission, committing or trying to commit an unlawful or criminal offence, such as assault or malicious damage;
- **your** possession, supply or consumption of any illegal substances or illegal drugs;
- **you** not obeying any commonwealth, state, territory or local government law, including laws relating to:
 - installing smoke alarms;
 - pool fencing;
 - failing to install a balcony railing or balustrade when required;
 - dangerous goods and liquids;
 - firearms;
 - control and safekeeping of dangerous or restricted breeds of dogs, including not obeying any legal requirement to restrain a dog in public or keep it fenced in.

5. Building extensions, alterations or renovations

other than the cover under 'Legal liability', building extensions, alterations or renovations to **your home building** or unit, including:

- damage caused by cracking, collapse, subsidence or damage to **your home building** and **home contents** caused fully or partially by the building work;
- damage caused by storm, flood or water entering **your home building** or unit through openings in the walls or roof or other unfinished parts of **your home building** or unit whether or not they are temporarily covered, at the time of the damage;
- damage caused by storm or flood to any part that is not fully built;
- theft or damage by someone who enters or leaves through an unlockable or unsecured part of **your home building** or unit;
- malicious damage or vandalism to unfinished parts of **your home building** or unit.

6. Bushfires, storms, floods, tsunamis in the first 72 hours of cover

a bushfire, storm, flood or tsunami in the first 72 hours of cover. **But we will cover** these **events** if this policy began on the same day:

- **you** bought **your home building** or unit; or
- **you** entered into a contract to lease the **home building**; or
- that another policy covering **your home building** or **home contents** expired, but not when **you** cancelled the policy prior to its expiry date, and only up to the **insured amount** covered under the expired policy (any increase in **insured amount** will not be covered for these events for the first 72 hours specified).

7. Chemical damage when cleaning

chemicals, such as detergents and solvents, when **you** or someone authorised by **you** is using them for cleaning.

8. Defect, structural fault or design fault

a defect, structural fault or design fault that **you** knew about (or should reasonably have known about) and did not fix before the loss or damage occurred (e.g. if there are signs that a defect previously caused damage, **we** will not pay a later claim for further damage from this defect).

9. Ground movement

erosion, vibration, subsidence, landslip, landslide, mudslide, collapse, shrinkage or any other earth movement, but **we** will cover landslide or subsidence that is specifically covered under the following insured **events**:

- 'Storm';
- 'Flood';

- 'Earthquake and Tsunami';
- 'Explosion'.

10. Hazardous materials

hazardous materials if not stored or used in accordance with the relevant law, controls and manufacturer's instructions.

11. Mechanical, electrical or other failure

mechanical or electrical failure or breakdown or anything that fails to operate properly, but **we** will cover damage caused by:

- fire spreading from an electrical fault to other parts of **your home building** and **home contents** to the extent it is covered under insured event 'Fire' (see page 35);
- lightning to the extent it is covered under insured event 'Lightning' (see page 35);
- motor burnout to the extent it is covered under Additional Benefit 'Motor burnout' (see page 43).

12. Medical equipment and aids

any medical equipment, item or aid which is designed to be either wholly or partially within the body, either permanently or temporarily. By 'within the body' **we** mean medical equipment, items or aids which require a specific incision to be made in the body to enable them to be implanted, but **we** will cover hearing aids.

13. Not complying with building regulations

your home building or unit not complying with building laws or regulations, except those laws or regulations introduced after **your home building** or unit was originally built or last altered which **you** were not required to comply with.

14. Photographs, electronic data and images

repairing, replacing or fixing:

- electronic data or files that are corrupted, damaged or lost, including software, photographs, films, music or other visual images or audio files stored electronically or on any other medium, unless:
 - the device they were stored on is lost or damaged by an insured event; and
 - the electronic data or files were legally purchased and **you** cannot restore them free of charge.
- hard copies of photographs, films or other visual images that are damaged or lost, **but we will cover** the cost of reproducing hard copy photographs **you** have purchased from, or had produced by, a professional photographic business or retail outlet.

15. Power surge

power surge, unless the surge or the loss or damage caused by the surge is covered under:

- insured **event**:
 - 'Fire';
 - 'Lightning';
 - 'Storm';
 - 'Flood'.
- 'Motor burnout' additional cover.

16. Replacement of water

the loss, storage and replacement of water in any tank, container, pool, spa or any other water storage vessel.

17. Roots of trees, shrubs and plants

the roots of trees, shrubs or plants, but **we** will cover damage to **your home building** and **home contents** caused by:

- liquid leaking or overflowing from pipes or drains that are blocked or damaged by these roots to the extent it is covered under insured **event** 'Escape of liquid';
- roots from a fallen tree to the extent it is covered under insured **event** 'Impact'.

18. Sale and Theft

- loss (including theft) of **your home contents** or portable valuables (or the proceeds of sale) by a person authorised to offer **your home contents** or personal valuables for sale;
- loss of **your home contents** or personal valuables (or the proceeds of sale) as a result of the bankruptcy or insolvency of a person authorised to offer **your home contents** or personal valuables for sale.
- Loss (including theft) of **your home building, your home contents** or portable valuables as a result of fraud or deception.

19. Seepage of water

water seeping or running:

- through the earth (hydrostatic water seepage);
- down the sides of earth or earth fill that is up against **your home building**;
- down the sides or underneath swimming pools or spas causing them to move, change shape, lift or leak through their hydrostatic valves;
- against or through retaining walls and forcing them to move or crack; or
- from agricultural pipes.

20. Storm surge

storm surge, except to the extent loss or damage is covered under insured **event** 'Storm'.

21. Structural improvements at units

- structural improvements owned by **your** body corporate or equivalent body; or
- structural improvements located on common property,

but **we** will cover fixtures owned by **you** as a tenant which will be removed by **you** when vacating the unit.

22. Tenants, paying guests or boarders

tenants, paying guests or boarders, or someone who lives with them or a person who entered **your home building** or unit with their consent, but **we** will cover loss or damage to **your home building** or **home contents** to the extent it is covered under insured **event**:

- 'Fire';
- 'Explosion';
- 'Impact';
- 'Accidental breakage of glass';
- 'Escape of liquid'.

23. Tree lopping

trees being lopped, felled or transplanted by **you** or someone authorised by **you**.

24. Wear, tear, mould, gradual deterioration and other conditions

wear, tear, rust, fading, rising damp, mould, mildew, corrosion, rot, action of light, atmospheric or climatic conditions or gradual deterioration such as, but not limited to:

- tiles and their adhesive or grouting breaking down;
- weathering of roof tiles or roof ridge capping; or
- gradual weathering and breakdown of bricks, mortar or concrete.

Home Covers Definitions

The following definitions apply to your Home Covers (Policy sections A, B and C) only.

Actions or movements of the sea

- rises in the level of the ocean or sea;
- sea waves;
- high tides or king tides;
- any other actions or movements of the sea but not a tsunami or storm surge.

Business activity

- any activity specifically undertaken for the purposes of earning an income; or
- any activity registered or required to be registered as a business and which **you** are obliged by any law to register for GST purposes.

Collection, set and memorabilia

- 'collection' means a set of objects, specimens, writings, and the like, gathered together and which collectively have a special value above that of the items individually if separated;
- 'set' means a number of things customarily used together or forming a complete assortment, outfit, or collection such as a set of dishes;
- 'memorabilia' are things saved or collected as souvenirs and/or for their historical interest.

Common property

land or areas where the **premises** address is located that both **you** and other people are entitled to use (e.g. common property in a multi-dwelling development).

Home contents

your household items that **you** own or are responsible for and use primarily for **domestic purposes**.

Home contents are items which are not permanently attached to **your home building** or **premises**. See page 30 for more details.

Home contents without fixed limits

the **home contents** which do not need to be listed on **your policy schedule**.

Home contents with fixed limits

the **home contents** with fixed limits that cannot be changed and these limits are the most **we** will pay for those content items, see the table on page 32.

Domestic purposes

is used privately and for **your** own personal use. Non-related to business activities.

Fixtures and fittings

items used for domestic and residential purposes and which are permanently attached to **your home building**.

Hazardous materials

any item or agent (biological, chemical, radiological, and/or physical) which has the potential to cause harm to humans, animals, or the environment, either by itself or through interaction with other factors.

Home office equipment

any office equipment kept at the **premises** for personal or business use and which is of a clerical or administrative nature only.

Insured events

the insured events on pages 33 to 38. In addition, an insured **event** is always a single event, accident or occurrence which **you** did not intend or expect to happen.

Loss or damage

physical loss or physical damage.

'New for old' means:

- new items or new materials that are available at the time of replacement or repair from Australian suppliers;
- new for old regardless of age, with no allowance for depreciation;
- the same type, standard and specification as when new. If the same is not available, it means of a similar type, standard and specification when new. It can be a different brand.

'New for old' does not:

- include paying the extra cost of replacing or purchasing an extended warranty on any item;
- mean of a better standard, specification or quality than when new.

Open air

any area at the **premises** not able to be enclosed on all sides and secured in such a way as to prevent access except by violent force.

Portable valuables

items that are normally carried with **you** away from the **premises**, see page 44.

Portable valuables – specified items

an item/s that **you** normally carry with **you** away from the **premises** that **you** insure for accidental loss or damage, see page 46.

Portable valuables – unspecified items

a bundled cover to cover items that **you** normally carry with **you** away from the **premises** for accidental loss or damage, see page 45.

Planned

you planned to demolish all or part of **your home building**, have lodged an application to do this, or a government authority has issued a demolition order for the **home building**.

Retaining wall

a wall, which is not part of **your home building**, that holds back or prevents the movement of earth.

Storm

a storm, cyclone or severe atmospheric disturbance. It can be accompanied by strong winds, rain, lightning, hail, snow or dust.

Storm surge

a rush of water onshore associated with a low pressure system and caused by strong winds pushing on the ocean's surface. A storm surge is a rise above the normal water level along a shoreline resulting from strong onshore winds and / or reduced atmospheric pressure.

Strata title

any form of land title which allows for multiple titles to exist in or on a block of land where the common property is held under a single separate title.

Tools of trade

Tools or equipment used for any **business** activity (but not home office equipment)

Unit

a unit, villa, townhouse or apartment in a strata title development. It does not include common property.

Unoccupied and occupied

unoccupied means:

- **your home building** or unit is not furnished enough to be lived in; or
- no-one is eating, sleeping and living at **your home building** or unit; or
- **your home building** or unit is not connected to utilities.

occupied means:

- **your home building** or unit is furnished enough to be lived in; and
- someone is eating, sleeping and living at **your home building** or unit; and
- **your home building** or unit is connected to utilities.

'furnished' enough to be lived in means **your home building** or unit contains at least:

- a bed; and
- a clothes and linen storage area; and
- an eating table or bench; and
- a refrigerator and a cooking appliance.

You/Your

means:

the person or persons named as the **insured** on your **policy schedule** and **you/yours** also includes members of **your family** who normally live with **you** at the **premises**.

If the **insured** shown on **your policy schedule** is a company, trustee of a trust or body corporate, then **you/ your** also refers to:

- that company, trustee or body corporate; and
- the following if they normally live at the **premises**:
 - any company director, company owner or trust beneficiary; and
 - their respective **family** members.

Your Business Covers

Your Business Covers include Policy Sections 1 to 11.

Policy section 1 – Property damage

Please note that if **you** are insuring a **building** which may also have residential use under this Policy section **you** should also read Part 3 of this **PDS** and Policy Wording.

About this Policy section

This Policy section provides cover for **loss** of, or **damage** to, **your property** from insured **events** specified in this Policy section, including but not limited to events such as fire, lightning and explosion. **We** do not cover the theft or breakdown of **your property** under this Policy section.

You can claim for **loss** of, or **damage** to, **your property** as described under what ‘What we cover’ if:

- ‘Property damage’ is shown as insured on **your policy schedule**;
- the **loss** or **damage** occurs during the **period of insurance**;
- the **loss** or **damage** is not excluded under ‘What we exclude’; and
- the **loss** or **damage** is not excluded by any of the General exclusions on page 20 to 22.

What we cover	What we exclude
<p>We cover loss or damage occurring during the period of insurance to buildings, contents, stock or specified items at the premises caused by or arising from an Insured event specified in this Policy section.</p>	<p>This Policy section (including the Extra covers and Additional benefits) does not cover:</p> <p>1. Power surge</p> <p>Loss or damage to any electrical appliance or device (including wiring) caused by power surge, failure or fluctuation unless that loss or damage is caused by lightning.</p> <p>If fire occurs as a result of power surge, failure or fluctuation to any electrical appliance or device (including wiring), this exclusion will not apply to that portion of the loss or damage directly caused by the ensuing fire.</p> <p>2. Maintenance or defects</p> <p>Loss or damage caused by or arising out of:</p> <ul style="list-style-type: none">(a) rust or corrosion;(b) inherent or structural defects;(c) faulty design, materials or workmanship; or(d) developing flaws, gradual deterioration, normal upkeep of property, or existing defects or lack of maintenance to property, unless you can show you did not know about the deterioration, defect or lack of maintenance. You cannot claim for repairing the deterioration or defect or the maintenance. <p>3. Consequential loss</p> <p>Loss of use, loss of earning capacity or any other consequential loss.</p>

What we exclude (cont.)

4. Cyclone and bushfire

Loss or **damage** occurring within 72 hours from the commencement of this **policy** caused by or arising from:

- (a) bushfire; or
 - (b) a cyclone named by the Bureau of Meteorology, unless this **policy** commenced:
 - (i) immediately after another insurance policy covering the same risk expired, however, that insurance policy will not be deemed to have expired if it was cancelled without a break in cover;
 - (ii) the day **you** entered into a contract of sale to purchase the property; or
 - (iii) the day **you** entered into a contract to lease the property.
-

Insured events

1. Fire

What we exclude

We will not cover **loss** or **damage**:

- (a) to any **stock** or **contents** caused by:
 - (i) spontaneous combustion or fermentation of **stock** or **contents**;
 - (ii) the direct application of heat to **stock** or **contents**; or
 - (iii) any **business** process involving the direct application of heat to **stock** or **contents**.
 - (b) caused by a bushfire occurring within 72 hours from the commencement or modification (including increasing any **insured amount**) of this **policy**; or
 - (c) caused by smog, soot ash or heat damage where there has been no flame at the **premises** or at adjacent properties.
-

2. Escape of molten material from its intended confines at the premises

What we cover

We cover **loss** or **damage** caused by the escape of molten material from its intended confines on, or at, the **premises**.

What we exclude

We will not cover:

- (a) the cost of repairing any fault which permitted the escape of molten material;
- (b) the cost of retrieving or removing escaped material from any escape channel or catchment;
- (c) any **loss** of, or **damage** to, the material that has escaped; or

What we exclude (cont.)

- (d) any **loss** of, or **damage** to, furnace linings, crucibles, moulds, other containers or ladles from which molten material escaped.
-

3. Lightning or thunderbolt

What we exclude

We will not cover **loss** or **damage** where **you** are unable to provide:

- (a) evidence that lightning caused the **loss** or **damage**;
or
 - (b) meteorological evidence that lightning struck in **your** area at the time the **loss** or **damage** occurred.
-

4. Explosion or implosion

What we exclude

We will not cover **loss** of, or **damage** to, pressure vessels or their contents which require certification under any statutory obligations, by-laws and regulations.

5. Storm, wind and rain (including snow, sleet or hail)

What we cover

Cover is limited to:

- (i) storm;
- (ii) wind;
- (iii) rainwater;
- (iv) cyclones or tornadoes;
- (v) snow or sleet;
- (vi) hail;
- (vii) run-off of rainwater that accumulates directly on and flows across normally dry ground or that overflows from public roadside gutters, channels and drains that are normally dry or swimming pools, spas or saunas; and
- (viii) **flood**.

The most **we** will pay in respect of any one **event** for **loss** or **damage** to gates, fences, retaining walls, shade-cloth, hail nets, exterior textile awnings or blinds, shade houses, fibreglass houses or glass houses is \$25,000.

What we exclude

We will not cover:

- (a) **loss** or **damage** caused by:
 - (i) the sea, including tidal wave, tsunami, storm surge or high-water;
 - (ii) erosion, landslide, mud slide, subsidence or any earth movement;
 - (iii) steam or condensation;
 - (iv) water seeping or percolating into the **building** from outside;
 - (v) a cyclone named by the Bureau of Meteorology where the damage occurs within 72 hours from the commencement of this **policy**; or
 - (vi) water entering a **building** or structure as a result of structural defects, faulty design, faulty workmanship or lack of maintenance.
- (b) **loss** or **damage** to:
 - (i) **property** in the open air, unless the **property** comprises or forms part of a permanent structure designed to function without the protection of walls or roof;

What we exclude (cont.)

- (ii) any **building** (or its contents) in the course of construction or reconstruction, unless the **building** is enclosed and under roof with all outside doors and windows permanently in place; or
 - (iii) loose or compacted soil, sand, earth, gravel, pebbles, rocks or granular rubber, gravel or pebble driveway, however **we** will pay the cost to restore soil or earth to the extent that it is necessary to repair **damage** to **your building** covered by this **policy**.
-

6. Water damage

What we cover

We cover **loss** or **damage** caused directly or indirectly by:

- (a) the discharge or leaking of water from any damaged pipe, water system (including a fire protection system such as a sprinkler system), tanks or drains installed in and servicing the **building**; or
- (b) water from a damaged water main in the immediate vicinity of the **building**.

We will also pay:

- (i) up to \$25,000 for any one **period of insurance** for all reasonable exploratory costs incurred in locating the source of the **loss** or **damage**, provided it is **your** responsibility to pay for these costs;
 - (ii) the reasonable costs of removing water and any incidental cleaning operations; and
 - (iii) if water is discharged from a fire protection system, any expenses incurred by **you** for the attendance of the fire brigade for the purpose of shutting off the water supply following an **accidental** discharge of water from a fire protection system.
-

What we exclude

We will not cover the cost of repair, replacement or re-routing of the defective part or parts of the pipe or water system that caused the **loss** or **damage**.

7. Impact

What we cover

We cover **loss** or **damage** caused by impact from:

- (a) **vehicles** designed primarily for use on land or their load;
- (b) **watercraft** or **hovercraft**;
- (c) **animals**;
- (d) a falling building or part of a building that is not at or on the **premises** and does not belong to **you**;

What we exclude

We will not cover **loss** or **damage** caused by:

- (a) any tree lopping or removal or demolition activity at the **premises** arranged or agreed to by **you**;
- (b) eating, chewing, clawing or pecking by **animals**;
- (c) any **animals** kept at the **premises**;
- (d) a falling **building** or part of a **building** due to intentional demolition by **you** or on **your** behalf; or
- (e) any impact resulting from the action of water.

What we cover (cont.)

- (e) **aircraft** or other aerial devices or articles dropped from them and satellites, space debris or meteorites; or
 - (f) falling trees or branches, masts, satellite dishes, antennae and aerials; but, excluding the **loss** or **damage** to those objects unless caused by another Insured event.
-

8. Riot or civil commotion

What we cover

This is limited to acts of:

- (a) strikers, locked-out workers, persons taking part in labour disturbances and persons of malicious intent acting on behalf of or in connection with any political organisation; or
 - (b) any lawful authority in connection with the strike, lockout, labour disturbance or political violence.
-

What we exclude

We will not cover **loss** or **damage** caused by total or partial cessation of work or the retarding or interruption or cessation of any process or operation.

9. Malicious acts (including by vandals and thieves)

What we cover

The most **we** will pay for malicious acts committed by **your** tenants for any one **period of insurance** is \$10,000.

What we exclude

We will not cover any:

- (a) **loss** or **damage** caused by **your family**;
 - (b) **loss** or **damage** caused by persons rioting or participating in civil commotion;
 - (c) **property** that is stolen from the **premises**. However **we** will cover resultant **damage** to **buildings, contents, stock** or **specified items** at the **premises** as a result of theft or attempted theft;
 - (d) **loss** or **damage** to any gaming, amusement or vending machines or any **contents** or **stock** contained within such machines where they are not located within a **building**;
 - (e) breakage of **glass**, or for the cost of replacing signwriting, ornamentation, reflective materials and burglar alarm tapes attached to broken **glass**; or
 - (f) the costs of cleaning, repairing or restoring the **premises** due to the neglect, or untidy, unclean or unhygienic habits of tenants or their guests.
-

10. Earthquake, tsunami, subterranean fire or volcanic eruption

What we cover

Cover is limited to:

- (a) earthquake;
 - (b) tsunami;
 - (c) subterranean fire;
 - (d) volcanic eruption; or
 - (e) fire resulting from any of the above during any period of 72 consecutive hours after the **event**.
-

11. Accidental damage

What we cover

We will pay up to \$250,000 (or other amount shown on **your policy schedule**) or the total of the **insured amounts** for **buildings, contents, stock** and **specified items** whichever is less for **accidental damage**.

What we exclude

We will not cover you for:

- (a) **loss** or **damage** caused by:
 - (i) any of the Insured events 1 to 10 of this Policy section, including any of the exclusions related to those Insured events;
 - (ii) mechanical, hydraulic, electrical breakdown or electronic failure, or malfunction;
 - (iii) **animals**;
 - (iv) oxidation, any form of **fungus**, wet or dry rot, contamination or pollution, dampness of atmosphere, variation in temperature, evaporation, disease, shrinkage;
 - (v) change in colour, flavour, texture or finish;
 - (vi) loss of weight or exposure to light;
 - (vii) creeping, heaving, normal settling, shrinkage, seepage, vibration, expansion in buildings, pavements, **roads**, car parks and the like;
 - (viii) error or omission in design, plan, or specification, or failure of design, or failure during testing;
 - (ix) any unexplained inventory shortage or disappearance resulting from clerical or accounting errors, or shortage in the supply or delivery of materials or goods;
 - (x) theft or attempted theft of **property**;
 - (xi) **data** processing or **media** failure or breakdown or malfunction of a processing system including operator error or omission;
 - (xii) loading or unloading;
 - (xiii) failure of the supply of water, gas, electricity or fuel;

What we exclude (cont.)

- (xiv) infidelity, dishonesty, embezzlement, misappropriation, or fraud including forgery, erasure, counterfeiting by **you** or any **employee**;
 - (xv) erosion, subsidence, landslip or mudslide or any other earth movement;
 - (xvi) improper packing or storage;
 - (xvii) incorrect siting of **buildings**;
 - (xviii) demolitions ordered by government or public or local authorities;
 - (xix) any person deliberately switching off, disconnecting or load shedding the power supply;
 - (xx) total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of **data**;
 - (xxi) total or partial inability or failure to receive, send, access or use **data** for any time or at all; or
 - (xxii) smoke or soot.
- (b) **loss** of, or **damage** to:
- (i) **animals**, plants, landscaping or growing crops;
 - (ii) **glass** or the cost of replacing sign writing, ornamentation, reflective materials and burglar alarm tapes attached to broken **glass**;
 - (iii) any **property** where the **loss** or **damage** was caused during the course of its processing or manufacture; or
 - (iv) **property** that is or could have been insured under any other Policy section, even if **you** have not selected the other Policy section or have had cover under the other Policy section excluded or otherwise denied by **us**.
- (c) **loss** or **damage** to **property**:
- (i) caused by or arising out of its undergoing any process involving the application of heat;
 - (ii) undergoing construction, erection, alteration,
 - (iii) addition, demolition, repair or maintenance; or
 - (iv) whilst in transit other than during the incidental movement of that **property** within the boundaries of the **premises**.
-

Extra covers

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

1. Reinstatement

What we cover

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

What we exclude

This Extra cover does not apply if **we** pay the **total declared value** or full 'Building' **insured amount** in respect of a single claim under this Policy section.

Where **we** pay the **total declared value** or full 'Building' **insured amount** in respect of a single claim, then cover under this Policy section ends.

2. Rewriting of records

What we cover

We will pay:

- (a) the reasonable costs of restoring the **data** stored on **media**; and
- (b) the reasonable and necessary costs incurred in rewriting, restoring or recreating the **business's** records, including customer's records or documents held or created by **you** as part of **your business**.

The most **we** will pay under this Extra cover is:

- (a) \$50,000; or
- (b) the unexhausted portion of **your** 'Contents' **insured amount**,

whichever is the greater, for any one **event**.

3. Professional fees

What we cover

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**.

Subject to the underinsurance condition in this Policy section, the most **we** will pay under this Extra cover for any one **event** is:

- (a) \$25,000; or
- (b) the unexhausted portion of the **insured amount** relating to the **damaged buildings**,

whichever is the greater.

What we exclude

This Extra cover does not apply if **your policy schedule** shows the **building** as being insured for 'Indemnity'.

4. Removal of debris and temporary repairs

What we cover

We will pay the reasonable costs of removal, storage and disposal of debris or the demolition, dismantling, shoring up, propping, underpinning or other temporary repairs incurred by **you** up to \$50,000 for any one **event**.

In addition, if the above costs exceed \$50,000, **we** will pay up to the unexhausted **total declared value** to cover those costs, subject to the underinsurance condition in this Policy section.

What we exclude

We will not pay for the costs of removing debris if:

- (a) the liability to remove, store or dispose of debris has arisen as a result of any agreement made by **you**, unless liability would have attached in the absence of such agreement; or
- (b) the debris is itself a contaminant or **pollutant** that does not form part of the construction material of the **building**.

5. Loss of land value

What we cover

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 resulting from the decision by any legal authority not to allow rebuilding or only to allow partial rebuilding of that **building** at the **premises**.

The most **we** will pay under this Extra cover is:

(a) 10% of the 'Building' **insured amount** shown on **your policy schedule**; or

(b) \$100,000,

whichever is less.

For example:

If the **insured amount** for the **building** is \$900,000, **we** will not pay more than \$90,000 (10% of \$900,000), as this amount is less than \$100,000).

6. Mortgage discharge costs

What we cover

We cover the reasonable legal costs associated with the discharge of a mortgage or mortgages on **building(s)** following settlement of a claim under this Policy section for the **building(s)** on a total loss basis.

The most **we** will pay under this Extra cover for any one **period of insurance** is \$30,000.

What we exclude

7. Environmental upgrade

What we cover

We will pay the additional costs incurred if **you** elect to repair or replace **property** that is **lost**, destroyed or **damaged** during the **period of insurance** and which is covered by this Policy section, using, or with, environmental technology, products, or materials, that improve the energy or water efficiency of the **property**.

What we cover (cont.)

The most **we** will pay under this Extra cover is 10% of the amount **we** would otherwise have paid to repair or replace the **property** that is being upgraded.

For example:

Your applicable 'Building' **insured amount** is \$1,000,000 and the **building** is destroyed. When the **building** is reinstated, **you** are required to comply with local building regulations. **You** also decide to add solar energy capture technology, not required by the regulations, to power the **building**. **We** will pay up to \$100,000 for the costs of the solar energy capture technology.

8. Catastrophe inflation protection

What we cover

If **we** agree to pay a claim for **damage to your building** that is a direct result of a **catastrophe**, **we** will pay up to an additional 20% of the **insured amount** for that **building** for any additional costs incurred in rebuilding that can be directly attributed to increases in the price of services and materials as a direct result of the **catastrophe**.

This Extra cover does not operate to increase the **insured amount** for any Extra cover, Additional benefit or the calculation of under insurance in this Policy section.

For example:

If **your** applicable 'Building' **insured amount** is \$1,000,000 **we** would pay up to an extra \$200,000 (20% of \$1,000,000).

What we exclude

We will not:

- (a) pay more than the increased building costs which are actually incurred by **you** as a direct result of the **catastrophe**;
 - (b) pay any claim under this Extra cover if **you** choose not to rebuild the **buildings** (or any part of them) at the **premises** shown on **your policy schedule**;
 - (c) pay any claim under this Extra cover if **your policy schedule** shows the **building** as being insured for 'Indemnity'; or
 - (d) increase the **insured amount** to pay for **damage** to any **property** other than **buildings**.
-

9. Capital additions

What we cover

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

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

we will cover **loss** or **damage** to the new additions or installations caused by the same Insured event.

The most **we** will pay under this Extra cover is:

- (a) for a **building** is:
 - (i) \$500,000; or
 - (ii) 20% of the 'Building' **insured amount**, whichever is less.
-

What we exclude

We will not pay for any **loss** or **damage** caused by or arising out of Insured **event 5** – Storm, wind and rain (including snow, sleet and hail).

What we cover (cont.)

(b) for **contents** is:

- (i) \$100,000; or
- (ii) 20% of the applicable 'Contents' **insured amount**,

whichever is less.

For example:

- **Your building** at the **premises** is insured for \$1,100,000 and the **building** is being altered. **We** will not pay more than \$220,000 (20% of \$1,100,000), as this amount is less than \$500,000.
- The **contents** of **your** office are insured for \$150,000 and **you** are refitting the office. **We** will not pay more than \$30,000 (20% of \$150,000), as this amount is less than \$100,000.

10. Undamaged foundations

What we cover

If the **building** foundations at the **premises** are not **damaged** by an Insured event that causes other **damage** to the **building** covered under this Policy section but a government or statutory authority requires reinstatement of the **building** to be carried out on another site, the foundations will be considered as destroyed.

11. Additional costs of repairing electronic equipment

What we cover

When **we** agree to pay any amount for **damage** to **electronic equipment**, **we** will also pay the following reasonable costs incurred by **you** and directly arising from the **damage**:

- (a) the cost of locating the **damage**;
- (b) freight charges up to 5% of the value of the **damaged** item of **electronic equipment**; and
- (c) charges for overtime and work on public holidays needed to return the **electronic equipment** to normal working condition.

12. Seasonal increase period(s)

What we cover

We will automatically increase the 'Stock' **insured amount** by 35% or such other amount as is shown on **your policy schedule** during the **seasonal increase period**.

What we cover (cont.)

You can nominate different **seasonal increase period(s)** or higher percentage increases of the 'Stock' **insured amount**. If **you** do they will be shown on **your policy schedule** and **you** must pay any additional premium that applies.

13. Floating stock

What we cover

Where **we** pay a claim for **loss** or **damage** of **stock** at a **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:

- (a) there are at least two **premises** on **your policy schedule** and an **insured amount** is separately shown on **your policy schedule** for **stock** at each **premises** insured under this Policy section, including the affected **premises**; and
- (b) **you** transfer the **stock** between those **premises** as a usual **business** practice.

The most **we** will pay under this Extra cover is the combined total of the 'Stock' **insured amounts** for all **premises**.

What we exclude

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.

14. Rewards

What we cover

We will pay up to \$5,000 for any one **event** for the reasonable cost of any reward paid by **you** for information which results in the:

- (a) apprehension; and
- (b) entry of judgment against, or conviction of, the person(s) responsible for the **loss** or **damage** covered under this Policy section.

You will be required to provide evidence to satisfy **us** that the reward has been paid.

Any cover given under this Extra cover shall not accumulate with any similar cover that may be given under Policy section 2 – Theft or Policy section 3 – Money.

What we exclude

We do not cover any reward paid by **you**:

- (a) to **your** directors or officers, any **employee** or partner of **your business**, **your** tenant, or **your family**;
 - (b) for information already held by or provided to **us** or any law enforcement authority; or
 - (c) if **we** have not given **our** prior consent for **you** to pay a reward.
-

15. Forensic cleaning expenses

What we cover

We will pay the reasonable costs of forensic cleaning to the **premises** following an act of violence which occurs at the **premises** during the **period of insurance**.

The most **we** will pay under this Extra cover for any one **period of insurance** is \$2,000.

What we exclude

We will not pay for any forensic cleaning costs that are associated with any of the following:

- (a) methamphetamine laboratory contamination;
 - (b) storm, **flood** or sewage backup;
-

What we cover (cont.)	What we exclude (cont.)
Any cover given under this Extra cover shall not accumulate with any similar cover that may be given under Extra cover 4 – Removal of debris and temporary repairs of this Policy section.	<ul style="list-style-type: none"> (c) graffiti; (d) suicide or homicide; (e) human decomposition; (f) bird or rodent droppings (hantavirus/histoplasmosis danger); (g) toxic mould, spore or fungus remediation; (h) illegal dumping, waste contamination or contravention of environmental laws; (i) animal or pet odours; (j) bio hazard spill; (k) disease outbreak; or (l) medical waste transport, treatment or disposal.

16. Playing surfaces

What we cover	What we exclude
<p>We will pay up to \$50,000 for the cost of repairing damage to outdoor playing surfaces at the premises caused by:</p> <ul style="list-style-type: none"> (a) vandals or persons engaging in malicious conduct; (b) fire occurring to property at the premises for which we have admitted liability under this Policy section; or (c) the action of fire fighting services, police or other emergency services in attending to their duties at the premises. 	<p>We will not pay for the cost of repairing damage to outdoor playing surfaces at the premises caused by:</p> <ul style="list-style-type: none"> (a) you or your guests; or (b) your directors or officers, or any employee or partner of your business, or the guests of any of these persons.

Additional benefits

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

Any amounts payable under these Additional benefits apply in addition to the **insured amount** shown on **your policy schedule** for this Policy section, unless stated otherwise.

1. Prevention of loss or damage

What we cover	What we exclude
<p>We will cover the necessary costs that you incur:</p> <ul style="list-style-type: none"> (a) to extinguish a fire occurring during the period of insurance on or in the vicinity of your premises which causes or threatens loss of, or damage to, your property; (b) to prevent or diminish imminent damage to your property by any other Insured event occurring during the period of insurance; or 	<p>We will not pay for:</p> <ul style="list-style-type: none"> (a) any fines penalties, or liability incurred by you; or (b) any loss of, or damage to, your property, under this Additional benefit.

What we cover (cont.)

(c) for the temporary protection and safety of **your property** at the **premises** necessitated by **damage** from an Insured event occurring during the **period of insurance**, including the employment of security services.

The most **we** will pay under this Additional benefit in total for any one **period of insurance** is \$25,000.

If **you** are insured under Policy section 2 – Theft or Policy section 3 - Money, the benefits payable under this Additional benefit shall not accumulate with the temporary protection cover contained in those Policy sections and the most **we** will pay under this Additional benefit in total for any one **period of insurance** is \$25,000.

2. Temporary removal of stock and contents

What we cover

We will pay for **loss** of, or **damage** to, **stock** and **contents** during the **period of insurance** caused by an Insured event if the **stock** or **contents** have been temporarily removed from the **premises** to any other premises including a temporary storage facility, self-storage unit or bulk storage facility.

The most **we** will pay under this Additional benefit for **contents** temporarily removed is 20% of the applicable 'Contents' **insured amount**.

The most **we** will pay under this Additional benefit for **stock** temporarily removed is 20% of the applicable 'Stock' **insured amount**.

For example:

If the applicable **insured amount** for 'Stock' is \$20,000 and the applicable **insured amount** for 'Contents' is \$50,000 and there is **loss** or **damage** to **stock** and **contents** that have been temporarily removed from the **premises** as a result of an Insured event, **we** will pay up to \$4,000 (20% of \$20,000) for **stock** and up to \$10,000 (20% of \$50,000) for **contents**.

What we exclude

We will not pay for **loss** of, or **damage** to:

- (a) **stock** or **contents** located outside Australia at the time of **loss** or **damage**;
 - (b) **stock** or **contents** that have been removed from the **premises** for a period of more than 90 days at the time of **loss** or **damage**;
 - (c) **stock** or **contents** in open **vehicles** caused by wind, water, hail or storm unless the **stock** or **contents** are appropriately protected by vehicle sheets such as tarpaulins;
 - (d) **your** directors' and **employees'** tools of trade and **personal effects**;
 - (e) **stock** that **you** have consigned to another person for sale;
 - (f) **stock** or **contents** whilst in transit or in the open air; or
 - (g) **vehicles**, except for fork lift trucks and similar appliances that are used for hauling or conveying goods at the **premises**.
-

3. Damage to business records away from the premises

What we cover

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

4. Landscaping

What we cover	What we exclude
<p>We will pay for loss of, or damage to, landscaping at the premises during the period of insurance arising from an Insured event. Landscaping includes trees, shrubs, plants and lawns.</p> <p>The most we will pay under this Additional benefit for any one event is \$10,000.</p>	<p>We will not pay for any loss of, or damage to, landscaping which occurs as a result of:</p> <ul style="list-style-type: none">(a) Insured event 5 - Storm, wind and rain (including snow, sleet or hail);(b) Insured event 9 - Malicious acts (including by vandals and thieves); or(c) the actions of animals.

5. Theft of external property

What we cover	What we exclude
<p>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.</p> <p>The most we will pay under this Additional benefit in total for any one period of insurance is \$10,000.</p>	<p>We will not pay for any loss or damage caused by your family or your tenants.</p> <p>We will not pay any claims under this Additional benefit if you have selected Policy section 2 – Theft.</p>

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

What we cover	What we exclude
<p>We will pay for loss of, or damage to, your directors' and employees' tools of trade and personal effects caused by an Insured event the subject of a claim, as if they were contents.</p> <p>The most we will pay under this Additional benefit for any one person:</p> <ul style="list-style-type: none">(a) for any one event is \$5,000; and(b) in total for any one period of insurance is \$10,000. <p>Any amount we pay for this Additional benefit will be included in the 'Contents' insured amount.</p>	<p>We will not pay for loss of, or damage to, musical instruments, curios, works of art, jewellery, money, credit cards or medical devices. If the tools of trade or personal effects are covered under another insurance policy, we will only pay for the loss or damage not otherwise covered by that other insurance policy.</p>

7. Temporary cover for new premises

What we cover	What we exclude
<p>We will cover you for loss or damage occurring during the period of insurance to any new premises arising from Insured events 1 to 10, as if that premises was shown on your policy schedule as an insured premises, provided that:</p> <ul style="list-style-type: none">(a) you first occupy the new premises during the period of insurance;(b) the business carried on, at or from the new premises is the same as the business shown in your policy schedule;	<p>We will not cover you for any loss or damage at the new premises that occurs more than 60 days after you first occupy the new premises.</p>

What we cover (cont.)

- (c) the property at the new **premises** is of the same nature as the **property** located at a **premises** and would have been covered if they were located at a **premises**; and
- (d) the buildings at the new **premises** are constructed of the same materials, and have the same or superior security features as those at one of the **premises** shown in **your policy schedule**.

The most **we** will pay under this Additional benefit is 20% of the highest total **insured amount** for any **premises** shown in **your policy schedule**.

For example:

If **you** insure two existing **premises**, one which has an **insured amount** for all **property** totalling \$1,000,000 and the other which has an **insured amount** for all **property** totalling \$2,000,000, then any new premises will be covered for up to \$400,000 (20% of \$2,000,000, the higher of the two **insured amounts** for all **property** at a **premises**).

8. Damage to vacant buildings

What we cover

If **you** own but do not occupy any **buildings** shown as insured under this Policy section at a **premises**, **we** will cover **you** for the following costs directly related to the breakage of **glass** in the **period of insurance** in a rentable area of the **building** that is vacant at the time of the breakage:

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

The most **we** will pay for all claims under this Additional benefit for any one **period of insurance** is \$5,000.

The **excess** that applies to this Additional benefit is the **excess** shown on **your policy schedule** or \$500, whichever is more.

What we exclude

We will not cover **you** for any breakage of:

- (a) **glass** caused by or arising out of fire or the application of heat;
- (b) **glass**:
 - (i) when in transit or whilst being fitted into position or removed from its fitting;
 - (ii) in light fittings;
 - (iii) that is cracked or imperfect prior to breakage;
 - (iv) that is not fit for the purpose intended; or
 - (v) that is in a glasshouse.
- (c) tiles on shopfronts and office fronts, other than around the broken **glass**; or
- (d) plastic or perspex signs.

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

- (a) **your building** is leased to a tenant; or
 - (b) the **premises** has remained unoccupied or untenanted for a continuous period longer than 60 days and **we** have not agreed to an extended period in writing.
-

9. Limited transit cover

What we 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 Australia and away from the **premises**, provided the **loss** or **damage** is caused by a collision or overturning of the conveying **vehicle** or any of the following:

- (a) Insured event 1 - Fire;
- (b) Insured event 2 - Escape of molten material from its intended confines at the premises;
- (c) Insured event 3 - Lightning or thunderbolt;
- (d) Insured event 4 - Explosion or implosion;
- (e) Insured event 8 - Riot or civil commotion;
- (f) Insured event 9 - Malicious acts (including by vandals and thieves);
- (g) Insured event 10 - Earthquake, tsunami, subterranean fire or volcanic eruption; or
- (h) Collision or overturning of the conveying **vehicle**.

The most **we** will pay under this Additional benefit for each **event** is:

- (a) \$25,000; or
- (b) 10% of the highest **insured amount** for **contents** or **stock** at any one **premises**,

whichever is less.

What we exclude

We will not cover you under this Additional benefit if **you** have selected Policy section 11 – Goods in transit.

What we pay

The most **we** will pay for any one claim for **loss** or **damage** to **property** covered under this Policy section, other than a claim for a **specified item**, is the total of all **insured amounts** as shown on **your policy schedule** or adjusted in accordance with this Policy section, whichever is more.

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

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

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

Reinstatement or replacement

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

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

(e) pay the cost of rebuilding or replacing the **buildings, specified items** or **contents**.

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

(a) repair or replace the **buildings, specified items** or **contents**; or

(b) pay the cost of repairing or replacing the **buildings, specified items** or **contents**.

Reinstatement or replacement is subject to the following conditions:

(a) the work of rebuilding, replacing or repairing must be commenced and completed by **you** within a reasonable time otherwise the amount **we** pay will be the indemnity value of the **property**. This means **we** will reduce the amount **we** pay **you** to take into account age, wear, tear and depreciation.

(b) when rebuilding at another site, **we** will not pay more than **we** would pay to rebuild at the **premises**.

(c) when any **property** is **damaged**, but not destroyed, **we** will not pay more than the amount that **we** would have been required to pay if that **property** had been destroyed.

(d) **we** will only pay to return the **property** to a condition substantially the same as, but not better or more extensive than, its condition when new, using building materials readily available and in common use in Australia.

2. Indemnity (Optional reduction in cover)

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

(a) repair, reinstate or replace the **buildings** or **contents**;

(b) pay **you** the market value of the **buildings** or **contents** at the time of its **loss** or **damage**; or

(c) pay the cost of repair or replacement.

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

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

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

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

(a) the work of reinstatement must be commenced and completed within a reasonable time;

(b) the amount payable will not include any additional costs in complying with any requirement that **you** were required to comply with before the **loss** or **damage** occurred; and

(c) if the cost of reinstatement of the **building** is less than 50% of what would have been the cost of reinstatement if that **building** had been totally destroyed, then the amount **we** will pay will:

(i) be limited to the extra cost necessarily incurred in reinstating the damaged portion of the **building** only;

(ii) not include any extra cost in relation to any portion of the **building** which is not damaged; and

(iii) will not exceed, in any **event**, the amount that **we** would have paid if that **building** had been totally destroyed.

4. Extra costs of reinstatement or replacement: Heritage building

If **you** are insured under this Policy section on a reinstatement or replacement basis for **loss** or **damage** to any **building** that is subject to any heritage listing or protection and **you** choose to rebuild, replace or repair the **building** at the same location, **we** will pay the extra costs of repairing, replacing, or reinstating the **building**, that are related to obtaining special materials or employing specialised labour to match up or reproduce unique or distinctive ornamental or architectural features of the **building** to comply with standards imposed by a lawful heritage protection authority.

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

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

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

5. Loss of floor space

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

- (a) an Act of Parliament or regulations; or
- (b) a by-law or regulation of any Municipal or other statutory authority, **we** will, in addition to reinstating or replacing the **building** on the basis set out above for the **building** with a reduced floor space, pay **you** the difference between:
 - (i) the actual cost of rebuilding the **building** with the reduced floor space; and
 - (ii) the estimated cost of rebuilding the **building** with the floor space it had at the time of its destruction.

6. Stock

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

- (a) pay the market value of the **stock** at the time of the **loss** or **damage** up to but not exceeding the 'Stock' **insured amount** shown for this Policy section on **your policy schedule**;
- (b) pay **you** the market value of obsolete stock or its purchase price (net of GST), whichever is the lesser, but no more than the original cost to **you**;
- (c) replace or repair the **stock** 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
- (d) pay the cost of repair or replacement of the **lost** or **damaged stock**.

7. Branded stock

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

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

8. Electronic equipment

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

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

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

Excess

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

If **you** are making a claim for **loss** or **damage**:

- (a) covered under Insured **event 9** – Malicious acts (including by vandals and thieves), where such **loss** or **damage** is caused by an act committed by **your** tenants, the **excess** for each claim is \$500 or the **excess** shown on **your policy schedule**, whichever is more; or
- (b) covered under Additional benefit 8 – Damage to vacant buildings, the **excess** for each claim is \$500 or the **excess** shown on **your policy schedule**, whichever is more.

If **you** are making a claim for **loss** or **damage** as a result of Insured **event** 10 – Earthquake, tsunami, subterranean fire or volcanic eruption, the **excess** for each claim is the lesser of:

- (a) \$20,000; or
- (b) 1% of the total **insured amount** shown on **your policy schedule** that relates to the **damaged property** at the **premises**.

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

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

Policy section conditions

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

1. Underinsurance

The following underinsurance condition means that if **you** do not insure for the full reinstatement or full replacement cost of **your property** **you** may not receive cover up to the full reinstatement or full replacement cost when **you** make a claim under this Policy section.

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

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

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

2. Seasonal increase period

You do not have to tell **us** what the dates of the **seasonal increase period** are. However, if **you** make a claim under this Policy section then **your** financial records over the previous two years must substantiate the period as a **seasonal increase period**.

If the **business** is less than 2 years old, **you** can use the financial records of **your business** from the date of commencement until the date of the **loss** or **damage** to substantiate **your** claim.

3. Sprinklers and fire alarm systems

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

4. Indexation

If **your policy schedule** shows that indexation applies, **we** will automatically adjust the **insured amounts** shown for this Policy section on **your policy schedule**, each year according to the most appropriate price index (as determined by **us**) and any other relevant indices published by the Australian Bureau of Statistics.

The premium **you** pay will be based on the adjusted **insured amounts** as shown on **your policy schedule**.

5. Hazardous goods

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

Worked dollar claim examples

The following worked dollar claim examples are designed to assist you in understanding some of the benefits in this Policy section and how claims are calculated. The examples do not cover all scenarios or all benefits and do not form part of your policy terms and conditions. The following should be used as a general guide only. We always determine real claim payments on an individual basis, after we have assessed each claim. You should consider all examples as each example covers different benefits and scenarios.

All amounts are shown in Australian dollars and are GST inclusive unless indicated otherwise. You should read the PDS and Policy Wording and your policy schedule for full details of what we cover as well as what policy limits, conditions and exclusions apply.

You have cover for a building that is used predominately as a hairdressing salon and you also live in the building. Indemnity is not shown on your policy schedule, so you have cover on a replacement value basis. The total of all insured amount values in your policy schedule is shown as \$400,000 (the total of the insured amount shown on your policy schedule for the building of \$380,000, contents of \$10,000 and stock of \$10,000) and the excess shown on your policy schedule is \$250.

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

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

Underinsurance on a partial loss

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

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

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

You have cover for a building that is used as predominately as a café and you also live in the building . Indemnity is not shown on your policy schedule so you have cover on a replacement value basis. The insured amount on your policy schedule is shown as \$2,500,000 and the excess shown on your policy schedule is \$250. The building is damaged in an earthquake and we assess the cost of repairs to be \$1,000,000.

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

Definitions

These words have the following meanings and apply only to this Policy section. These defined terms prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording. **You** should also refer to the General definitions on pages 22 to 28.

Catastrophe

A large scale destructive **event**, in the area where 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.

Contents

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

Contents means:

- (a) unused stationery and printed books;
- (b) where **you** are a tenant of a leased or rented **premises**:
 - (i) property owner's fixtures and fittings, window blinds and floor coverings for which **you** are liable under the terms of a lease or similar agreement;
 - (ii) fixtures and fittings installed by **you** for **your** use in the **business**; and
 - (iii) installed fixtures and fittings, window blinds, cool rooms, awnings, CCTV and other security systems, exterior lights, masts, antennae and aerials, fixed external signs and **air conditioner** units including external compressors and pipes at **your premises**;
- (c) **money** up to \$500;
- (d) plant and **machinery**, communications systems, fixtures and fittings, signs and awnings;

- (e) computers, word processors, printers, scanners and other peripheral equipment and other **electronic equipment** or electronic data processing systems;
- (f) digital or analogue telecommunication transmission and receiving equipment, lighting facilities, televisions, audio visual amplification or surveillance equipment and office machines;
- (g) **data, media**, records, documents, manuscripts, plans, drawings, designs and business books, but only for the value of these materials in their unused or uninstalled state or as blank stationery; or
- (h) works of art, antiques or curios.

Contents does not mean:

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

Property

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

Specified items

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

Total declared value

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

Policy section 2 – Theft

Please note that if **you** are insuring **theft** from a **building** or **home building** under this Policy section **you** should also read Part 3 of this **PDS** and Policy Wording.

About this Policy section

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

You can claim for **loss** of, or **damage** to, **your contents**, **specified items**, or **stock** as described under ‘What we cover’ if:

- (a) ‘Theft’ is shown as insured on **your policy schedule**;
- (b) the **loss** or **damage** occurs during the **period of insurance**;
- (c) the **loss** or **damage** is not excluded under ‘What we exclude’; and
- (d) the **loss** or **damage** is not excluded by any of the General exclusions listed on pages 20 to 22.

What we cover	What we exclude
<p>We cover loss or damage occurring during the period of insurance to your contents, specified items and stock caused by theft.</p>	<p>This Policy section does not cover:</p> <ol style="list-style-type: none">1. Theft by you, your employees or family Loss of, or damage to, property insured caused by you, your employees or any member of your family.2. Glass The breakage of glass, or the cost of replacing sign writing, ornamentation, reflective materials and burglar alarm tapes attached to broken glass.3. Open space Except as expressly provided by Additional benefit 1 - Theft of external property of this Policy section, loss of, or damage to, property insured from or in any open space, whether fenced or unfenced, outside the walls of the building or home building.4. Access Loss of, or damage to, property insured if entry is gained to the building or home building:<ul style="list-style-type: none">(a) by use of a key or security code; or(b) through an unlocked door or window,except as provided for under:<ul style="list-style-type: none">(i) Additional benefit 5 - Employee dishonesty of this Policy section; or(ii) Additional benefit 8 - Theft without forced entry of this Policy section.5. Certain events insured under Policy section 1 – Property damage Loss of, or damage to, property insured:<ul style="list-style-type: none">(a) resulting from or as a consequence of fire; or

What we exclude (cont.)

(b) arising during or as a consequence of earthquake, tsunami, subterranean fire, volcanic eruption, riot or civil commotion,

unless **you** are able to prove that the **loss** or **damage** occurred independently of these **events**.

6. Consequential loss

Loss of use, loss of earning capacity and any other consequential loss.

Extra covers

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

Any amounts payable under these Extra covers do not apply in addition to the **insured amount** shown on **your policy schedule** for this Policy section, unless stated otherwise.

1. Reinstatement

What we cover

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

2. Damage to rented buildings

What we cover

We will cover **you** for **damage** to the **buildings** or **home building** that **you** occupy as a tenant if **you** are legally liable for that **damage** under **your** tenancy agreement, provided that the **damage** is due to **theft** at the **premises** which occurs during the **period of insurance**.

The most **we** will pay under this Extra cover for any one **event** is \$5,000.

3. Temporary protection

What we cover

We will pay the reasonable and necessary costs of temporary protection incurred, or the employment of guards or watchman by **you**, for the safety and protection of the **building** or **home building** pending repair of **damage** to the **building** caused by **theft**.

The most **we** will pay under this Extra cover for any one **event** is \$5,000.

Any cover given under this Extra cover shall not accumulate with any similar cover that may be given under Policy section 1 – Property damage or Policy section 3 – Money.

4. Replacement of locks and keys

What we cover

We will pay the reasonable cost of replacing locks, keys and combinations used in the **business** if, as a result of **theft**, keys or combinations are stolen, or if there are reasonable grounds to believe that keys have been duplicated.

We will also pay the reasonable cost of opening **safes** and **strongrooms** because of keys or combinations that are stolen during a **theft**.

The most **we** will pay under this Extra cover for any one **event** is \$5,000.

Any cover given under this Extra cover shall not accumulate with any similar cover that may be given under Policy section 1 – Property damage or under Policy section 3 – Money.

5. Rewriting of documents

What we cover

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

The most **we** will pay under this Extra cover or any one **period of insurance** is \$25,000.

6. Seasonal increase period

What we cover

We will increase the portion of the **insured amount** as it relates to **stock** by 35% or such other amount as is shown on **your policy schedule** during the **seasonal increase period**.

You can nominate different **seasonal increase period(s)** or higher percentage increases of the **insured amount** as it relates to **stock**. If **you** do they will be shown on **your policy schedule** and **you** must pay any additional premium that applies.

7. Rewards

What we cover

We will pay up to \$5,000 for any one **event** for the reasonable cost of any reward paid by **you** for information which results in the:

- (a) apprehension; and
- (b) entry of judgment against, or conviction of, the person(s) responsible for the **loss** or **damage** covered under this Policy Section.

What we exclude

We do not cover any reward paid by **you**:

- (a) to **your** directors, officers, any **employee** or partner of **your business**, **your** tenant, or **your family**;
- (b) for information already held by or provided to **us** or any law enforcement authority; or
- (c) if **we** have not given **our** prior consent for **you** to pay a reward.

What we cover (cont.)

You will be required to provide evidence to satisfy **us** that the reward has been paid.

Any cover given under this Extra Cover shall not accumulate with any similar cover that may be given under Policy Section 1 – Property Damage or Policy Section 3 – Money.

Additional benefits

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

Any amounts payable under these Additional benefits do not apply in addition to the **insured amounts** shown on **your policy schedule** for this Policy section, unless stated otherwise.

1. Theft of external property

What we cover

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

The most **we** will pay under this Additional benefit during the **period of insurance** is:

- (a) \$5,000; or
- (b) the 'Contents' **insured amount** shown on **your policy schedule** for this Policy section,

whichever is less.

2. Directors and employees tools of trade and personal effects

What we cover

We will pay for **loss** of, or **damage** to, **your** directors' and **employees'** tools of trade (excluding **vehicles** and their accessories) and **personal effects** caused by **theft** as if they were **contents**.

The most **we** will pay under this Additional benefit:

- (a) for any one person for any one claim is \$5,000; and
- (b) in total for any one claim is \$10,000.

Any amount **we** pay for this Additional benefit will be in addition to the **insured amount**.

Any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under Policy section 3 – Money.

What we exclude

We will not pay for **loss** or **damage** to tools of trade or **personal effects** to the extent they are otherwise covered under another insurance policy.

We will not pay for **loss** or **damage** to musical instruments, curios, works of art, **money** or credit cards.

3. Temporary cover for new premises

What we cover	What we exclude
<p>We will cover you for loss of, or damage to, stock or contents as a result of theft at any new premises which you first occupy during the period of insurance, as if that premises was shown in your policy schedule as an insured premises, provided that:</p> <ul style="list-style-type: none">(a) the business carried on at or from the premises is the same as the business shown on your policy schedule;(b) the stock or contents at the new premises would have been covered if located at one of the premises shown on your policy schedule; and(c) the new premises has the same or superior security features as one of the premises shown on your policy schedule. <p>You must provide us with full details of the new premises. If we agree to cover stock or contents at the new premises, you must pay any additional premium we ask for.</p> <p>The most we will pay under this Additional benefit is 20% of the applicable insured amount for 'Stock' or 'Contents' shown on your policy schedule for this Policy section.</p>	<p>We will not cover loss of, or damage to, stock which does not belong to you, for which you are not legally responsible or which consists of tobacco, tobacco products, cigars, cigarettes or alcoholic beverages.</p> <p>We will not cover any claims under this Additional benefit if you have owned, leased or occupied the new premises for more than 30 days.</p>

4. Temporary removal of stock or contents

What we cover	What we exclude
<p>We will cover you for loss of, or damage to, stock or contents caused by theft or attempted theft while they are temporarily removed from the premises or while in transit to or from the premises by road, railway, inland waterway or air.</p> <p>The most we will pay under this Additional benefit is 20% of the insured amount for 'Stock' or 'Contents' shown on your policy schedule for this Policy section.</p>	<p>We will not pay for loss of, or damage to, stock or contents arising from or in connection with:</p> <ul style="list-style-type: none">(a) theft or attempted theft from an unattended vehicle, unless all of the doors and windows of the vehicle are closed and locked with any alarm or immobiliser activated; or(b) theft from the open air. <p>We will not cover stock or contents which have been removed from the premises for more than 90 consecutive days, unless we have agreed in writing during the period of insurance that the stock or contents could be removed for a longer period and that period has not been exceeded.</p> <p>We do not cover loss due to dishonesty or insolvency of persons to whom the stock or contents are entrusted.</p>

5. Employee dishonesty

What we cover	What we exclude
<p>We will cover you for loss of contents and stock as a direct result of employee dishonesty during the period of insurance if discovered within 31 days of the employee dishonesty occurring.</p>	<p>This Additional benefit does not cover:</p> <ul style="list-style-type: none">(a) any loss arising from the conduct of an employee after you have knowledge of or information about any prior act of fraud or dishonesty by the employee;

What we cover (cont.)	What we exclude (cont.)
<p>The most we will pay under this Additional benefit:</p> <p>(a) for any one act of employee dishonesty is \$2,500; and</p> <p>(b) in total for all claims for employee dishonesty during the period of insurance is \$5,000.</p> <p>Any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under Policy Section 4 – Money.</p>	<p>(b) any loss arising from the conduct of an employee outside Australia;</p> <p>(c) any loss where you are unable to identify which employee is responsible;</p> <p>(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;</p> <p>(e) fraud or dishonesty committed by your family; or</p> <p>(f) fraud or dishonesty committed by any of your employees committed with your connivance.</p> <p>We will not cover any claims under this Additional benefit if you are insured under Optional insurance 1 - Employee dishonesty in Policy section 6 - Management liability.</p>

6. Developing security images

What we cover

We will cover **you** for the costs of developing images stored on **media** from security cameras following a **theft** of **property insured** at the **buildings** during the **period of insurance**.

The most **we** will pay under this Additional benefit in total for any one **event** is \$1,000.

Any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under Policy section 3 – Money.

7. Funeral expenses

What we cover

We will cover burial or cremation costs if any of **your** directors, officers, **employees**, or any partner of **your business** sustains a fatal injury provided:

- (a) their death directly results from an assault that occurs during a **theft** in the **period of insurance** of **property insured** owned by **you** or for which **you** are legally responsible; and
- (b) the death occurs within six months of the assault.

The most **we** will pay under this Additional benefit to the estate of the deceased person is \$10,000.

Any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under Policy section 3 – Money.

8. Theft without forced entry

What we cover

We will cover **you** for **loss** or **damage** occurring during the **period of insurance** to **contents** and **specified items** in the **building** or **home building** as a result of **theft** where there are no signs of forcible and violent entry to or exit from the **building** or **home building**.

The most **we** will pay under this Additional benefit for any one **event** is \$5,000.

What we exclude

We do not cover **loss** of, or **damage** to, **stock** under this Additional benefit.

What we pay

If **we** agree to pay a claim for **loss** of or **damage** to **contents**, **stock** or **specified items** covered under this Policy section, 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 **contents** or **specified items**:

- (i) repair or replace the **contents** or **specified items**; or
- (ii) pay **you** the cost of repair or replacement of the **contents** or **specified item**.

The most **we** will pay in respect of **loss** of, or **damage** to, **contents** and **stock** covered under this Policy section is the **insured amount** shown on **your policy schedule** for this Policy section.

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

Excess

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

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

Policy section conditions

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

1. Monitored burglar alarms

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

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

2. Valuables

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

3. Seasonal increase period

You do not have to tell **us** what the dates of the **seasonal increase period** are. However, if **you** make a claim under this Policy section then **your** financial records over the previous two years must substantiate the period as a **seasonal increase period**.

If the **business** is less than two years old, **you** can use the financial records of **your business** from the date of commencement until the date of the **loss** or **damage** to substantiate **your** claim.

Definitions

These words have the following meanings and apply only to this Policy section. These defined terms prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording. **You** should also refer to the General definitions on pages 22 to 28.

Contents

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

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

Contents does not mean:

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

Specified item(s)

Each item of property that is specifically described under the heading 'Other' in **your policy schedule** for this Policy section.

Theft

Means:

- (a) theft or any attempt at theft following actual forcible and violent entry to or exit from the **building** or **home building**;
- (b) theft or any attempt at theft by a person concealed in the **building** or **home building** during business hours and, who after hours, breaks out of the **building** or **home building**; or
- (c) theft or any attempt at theft following assault or violence or immediate threat to **you** (or **your employees**) or any other person lawfully at the **building** or **home building** (including armed holdup).

Policy section 3 – Money

About this Policy section

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

You can claim for **loss** of or **damage** as described under what 'What we cover' if:

- 'Money' is shown as insured on **your policy schedule**;
- the **loss** or **damage** occurs during the **period of insurance**;
- the **loss** or **damage** is not excluded under 'What we exclude'; and
- the **loss** or **damage** is not excluded by any of the General exclusions on pages 20 to 22.

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

What we exclude (cont.)

7. ATMs

Loss of, or **damage** to, **money** that does not belong to **you** or for which **you** are not legally responsible, in or from an **ATM**.

8. Discovery of loss

Loss not discovered within seven working days of the **loss** occurring except as expressly provided by Additional benefit 1 – Employee dishonesty of this Policy section.

9. Unoccupied premises

Loss of **money** when the **premises** is left unoccupied unless any burglar alarm system which protects the **premises** is:

- (a) operative during the period the **premises** is left unoccupied; and
 - (b) maintained in good working condition.
-

Extra covers

If **we** agree to pay a claim under this Policy section for:

- **loss** of, or **damage** to, **money**; or
- for **damage** to a **safe or strongroom** caused by theft or attempted theft,

we will also pay or provide the Extra covers set out below.

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

1. Reinstatement

What we cover

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

2. Temporary protection

What we cover

We will pay the reasonable and necessary costs incurred by **you** in effecting temporary protection, or the employment of guards or watchman by **you**, to safeguard the **money** at the **premises** as a result of any **event** covered under this Policy section.

The most **we** will pay under this Extra cover for any one **event** is \$5,000.

Any cover given under this Extra cover shall not accumulate with any similar cover that may be given under Policy section 1 – Property damage or Policy section 2 – Theft.

3. Replacement of locks and keys

What we cover

We will pay the reasonable cost of:

- (a) replacing locks, keys and combinations used in the **business** if, as a result of theft of **money** covered under this Policy section, keys or combinations are stolen, or if there are reasonable grounds to believe that keys have been duplicated; and
- (b) opening **safes and strongrooms** because of the theft of keys or combinations during theft of **money** covered under this Policy section.

We will not pay more than \$5,000 under this Extra cover for any one **event**.

Any cover given under this Extra cover shall not accumulate with any similar cover that may be given under Policy section 2 – Theft.

4. Seasonal increase on money

What we cover

We will automatically increase the applicable **insured amount** in respect of **money** by either:

- (a) 35% or such other amount as is shown on **your policy schedule** during a **seasonal increase period**; or
- (b) 100%, or \$50,000, whichever is less, during any long weekend which occurs as a result of the government gazetting Monday or Friday as a public or bank holiday. The increase shall apply up until the bank closing time on the next business day after such holiday.

You can nominate different **seasonal increase period(s)** or higher percentage increases of the relevant **money insured amount**. If **you** do they will be shown on **your policy schedule** and **you** must pay any additional premium that applies.

5. Rewards

What we cover

We will pay up to \$5,000 for any one **event** for the reasonable cost of any reward paid by **you** for information which results in the:

- (a) apprehension; and
- (b) entry of judgment against, or conviction of, the person(s) responsible for the **loss** or **damage** covered under this Policy section.

You will be required to provide evidence to satisfy **us** that the reward has been paid.

What we exclude

We do not cover any reward paid by **you**:

- (a) to **your** directors or officers, any **employee** or partner of **your business**, **your** tenant, or **your family**;
- (b) for information already held by or provided to **us** or any law enforcement authority; or
- (c) if **we** have not given **our** prior consent for **you** to pay a reward.

What we cover (cont.)

Any cover given under this Extra cover shall not accumulate with any similar cover that may be given under Policy section 1 – Property damage or Policy section 2 – Theft.

Additional benefits

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

Any amounts payable under these Additional benefits apply in addition to the **insured amount** shown on **your policy schedule**, unless stated otherwise.

1. Employee dishonesty

What we cover

We will cover **you** for **loss of money** as a direct result of **employee** dishonesty during the **period of insurance** if discovered within 31 thirty-one days of the **employee** dishonesty occurring.

The most **we** will pay under this Additional benefit:

- (a) for any one act of **employee** dishonesty is \$2,500; and
- (b) in total for all claims for **employee** dishonesty for the **period of insurance** is \$5,000.

Any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under Policy section 2 – Theft.

We will not pay any claims under this Additional benefit if **you** are insured under Optional insurance 1- Employee dishonesty in Policy section 6 – Management liability.

What we exclude

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 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.
-

2. Developing security images

What we cover

We will cover **you** for the cost of developing images stored on **media** from security cameras following a theft or attempted theft of **money** covered under this Policy section.

The most **we** will pay under this Additional benefit for any one **period of insurance** is \$1,000.

Any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under Policy section 2 - Theft.

3. Directors and employees and personal effects

What we cover

We will cover **you** for **loss** of, or **damage** to, the **personal effects** of **your** directors, officers and **employees** during a theft or attempted theft of **money** covered under this Policy section.

The most **we** will pay under this Additional benefit:

- (a) for any one person for any one **event** is \$5,000;
and
- (b) in total for any one **event** is \$10,000.

Any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under Policy section 2 - Theft.

If the tools of trade or **personal effects** are covered under another insurance policy, **we** will only pay for **loss** or **damage** not otherwise covered by the other policy.

What we exclude

We will not cover **you** for **loss** or **damage** to musical instruments, curios, works of art, **money** or credit cards.

4. Funeral expenses

What we cover

We will cover **you** for any burial or cremation costs if any of **your** directors, officers or **employees**, or any partner of **your business** sustains a fatal injury provided:

- (a) their death directly results from an assault that occurs during a theft or attempted theft of **money** owned by **you** or for which **you** are legally responsible in the **period of insurance**; and
- (b) the death occurs within six months of the assault.

The most **we** will pay to the estate of the deceased person is \$10,000.

Any cover given under this Additional benefit shall not accumulate with any similar cover that may be given under Policy section 2 – Theft.

5. Travellers' money

What we cover

We will cover **you** for **loss** of **money** during the **period of insurance** in **your** custody, or in the custody of an **employee**, whilst travelling on business anywhere in the world outside Australia.

The most **we** will pay under this Additional benefit:

- (a) in total for any one **event** is \$1,000; and
 - (b) in total for any one **period of insurance** is \$2,000.
-

6. Counterfeit money

What we cover

We will cover the **loss** sustained by **you** due to the acceptance in good faith of counterfeit Australian currency notes during the **period of insurance**.

The most **we** will pay under this Additional benefit for any one **period of insurance** is \$500.

What we pay

1. If **we** agree to pay a claim under this Policy section for **loss** or **damage** to **money**, **we** will pay **you** the amount of any **money** that is **lost** or **damaged**.
2. If the **safe or strongroom** is **lost** or **damaged** and the **loss** or **damage** is covered under this Policy section, **we** will, at **our** option:
 - (a) repair the **safe or strongroom**; or
 - (b) replace the **safe or strongroom** with an item of a specification equal to but not better or more extensive than when it was new; or
 - (c) if the **loss** or **damage** is confined to part of the **safe or strongroom**, repair or pay **you** the cost of repair of that part plus the cost of any necessary dismantling and reassembling; or
 - (d) pay **you** the cost of repairing or replacing the **safe or strongroom**.
3. **We** will not pay costs of alterations, improvements or overhauls carried out when the **lost** or **damaged safe or strongroom** is repaired or replaced.
4. In the case of **loss** or **damage** to certificates of stock, bonds, coupons and all other types of securities covered under this Policy section, the amount of the securities will be calculated as follows:
 - (a) if the securities can with **our** approval be replaced, the cost of replacement paid or payable by **you**; or
 - (b) otherwise, the greater of:
 - (i) the price for which **you** purchased them, or
 - (ii) the closing market value on the last business day prior to the date of discovery by **you** of the **loss** or destruction of the securities, or if the time of discovery by **you** is after the close of the market, their discovery by **you**.
5. In the case of a **loss** of subscription, conversion or redemption privileges through the **loss** of any security, the value of such privileges will be the value immediately preceding the expiration of the subscription, conversion or redemption, in the currency in which the **loss** was sustained.
6. **Losses** sustained in currencies other than Australian dollars will be calculated by converting the amount of **loss** to Australian dollars at the market buy rate at the time of settlement of the **loss** or such other rates as may have been expressly agreed with **us**. If there is no market price or value on the relevant day, then the value shall be agreed between **you** and **us**, or in circumstances where agreement is not reached, **we** and **you** shall submit to mediation and be bound by the decision of the mediator.
7. In the case of **loss** or **damage** to any travellers cheques, discount house vouchers or lottery tickets covered under this Policy section, the amount will be calculated at the original purchase price incurred by **you**.
8. The most **we** will pay in respect of the following loss or damage covered under this Policy section:
 - (a) for **money in transit** at the time of the **loss** or **damage** is the 'Money in transit' **insured amount** shown on **your policy schedule**;
 - (b) for **money** on the **premises** during **business hours** at the time of the **loss** or **damage** is the 'Money on the premises during business hours' **insured amount** shown on **your policy schedule**;
 - (c) for **money** on the **premises** outside **business hours** at the time of the **loss** or **damage** is \$2,000 plus the 'Additional money on the premises outside business hours' **insured amount** shown on **your policy schedule**;

- (d) for **money** in a locked **safe or strongroom** at the time of the **loss or damage** is the 'Money in a locked safe or strongroom' **insured amount** shown on **your policy schedule**; or
- (e) for **money** in a private residence at the time of the **loss or damage** is \$2,000 plus the 'Additional money in private residence' **insured amount** shown on **your policy schedule**.

Policy section condition

This condition applies to all cover and claims under this Policy section.

1. Seasonal increase period(s)

You do not have to tell **us** the dates of the **seasonal increase period(s)**. However, if **you** make a claim under this Policy section then **your** financial records over at least the previous two years must substantiate the period as a **seasonal increase period**.

If the **business** is less than two years old, **we** will use the financial records of **your** business from the date of commencement until the date of the **loss or damage** to substantiate **your** claim.

Excess

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

Definitions

These words have the following meanings and apply only to this Policy section. These defined terms prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording. **You** should also refer to the General definitions on page 22 to 28.

ATM

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

Business hours

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

Financial services provider

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

In custody

in **your** custody and control at **your** private residence; or

in the custody and control of persons authorised by **you** at their private residence, until the next **business** day when the **money** can be deposited with a **financial services provider**.

In transit

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

Seasonal increase period

Any period of time during the **period of insurance** when the amount of **your business's money** increases by at least 35% compared to other times during the **period of insurance**. The total number of days **we** will allow for a seasonal increase period is 120 days for any one **period of insurance** unless a different period is shown on **your policy schedule**.

Policy section 4 – Back in Business

About this Policy section

This Policy section provides cover for a reduction in **your business revenue** as a result of **damage** caused by Insured events 1 to 12 set out in this Policy section.

You can claim for a reduction in **your business revenue** where the **business** is interrupted directly by **damage** as described under 'What we cover' if:

- 'Back in Business' is shown as insured on **your policy schedule**;
- the **damage** occurs during the **period of insurance**;
- the claim is not excluded under 'What we exclude'; and
- the **damage** is not excluded by any of the General exclusions listed on pages 20 to 22.

What we cover

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

What we exclude

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

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

Insured events

1. Damage

What we cover

Damage for which **you** are covered by the insuring clause (or would have been but for the application of the **excess**) under:

- (a) Policy Section A – Home Property
- (b) Policy Section B – Home Contents
- (c) Policy section 1 - Property damage;
- (d) Policy section 2 - Theft;
- (e) Policy section 3 - Money;
- (f) Policy section 7 - Portable and valuable items;

What we cover (cont.)

- (g) Policy section 11 – Goods in transit; or
- (h) any other policy insuring the same Insured **events** covered by (a) to (f) above and for which the insurers have admitted liability, or would have admitted liability if it was not for the application of an **excess**, provided **you** are not only covered by an Additional benefit in the above listed Policy sections.
-

2. Boiler explosion

What we cover

Damage as a result of the self-explosion or collapse of any pressure vessels, including boilers, compressors or economiser at the **premises**.

3. Utilities extension

What we cover

Damage to the following utilities, being:

- (a) any electricity power station or substation;
- (b) any gas supply system or gas works;
- (c) any water supply or sewage works; or
- (d) any telecommunications system,

that is land-based within Australia and supplies **your business** if the following apply:

- (i) the **damage** would have been covered under an Insured event specified in Policy section 1 – Property damage if such **damage** had been to **property insured** under that Policy section;
- (ii) the **damage** results in hindering or stopping the supply of electricity, gas, water or telecommunications to the **premises** or sewage from the **premises**; and
- (iii) the **damage** results in interruption of, or interference with, the **business**.

The most **we** will pay for any one **event** is 20% of the **insured amount** for 'Revenue' shown on **your policy schedule**.

What we exclude

We will not pay for the first 48 hours of any such interference or interruption which occurs after the **loss** of, or **damage** to, the property.

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

What we cover

Damage to property in the immediate vicinity of the **premises** if the following apply:

- (a) the **damage** would have been covered under an Insured event specified in Policy section 1 – Property damage if such **damage** had been to **property insured** under that Policy section;

What we exclude

Damage to property that is not in the immediate vicinity of the **premises**.

What we cover (cont.)

- (b) the **damage** prevents or hinders the use of, or access to, the **premises**; and
 - (c) the **damage** results in interruption of, or interference with, the **business**.
-

5. Unspecified suppliers' or customers' premises extension

What we cover

Damage to property at the Australian premises of:

- (a) any suppliers, manufacturers or processors of component goods, materials or services which supplies **your business** directly (other than those services provided by any utilities); or
- (b) any customer to whom **you** supply component goods, materials or services directly,

where the **damage** would have been covered under an Insured event specified in Policy section 1 – Property damage if such **damage** had been to **property insured** under that Policy section and the **damage** results in interruption of, or interference with, the **business**.

The most **we** will pay for any one **period of insurance** is 20% of the **insured amount** for 'Revenue' shown on **your policy schedule**.

6. Business that attracts customers

What we cover

Damage to property of a major tenant if the following apply:

- (a) **your business** is located within a multi-tenanted retail shopping complex or commercial complex;
 - (b) the **damage** would have been covered under an Insured event specified in Policy section 1 – Property damage if such **damage** had been to **property insured** under that Policy section;
 - (c) the **damage** results in a reduced pedestrian count in the shopping complex; and
 - (d) the **damage** results in the interruption of, or interference with, **your business**.
-

7. Roads, bridges and railway lines

What we cover

Damage to **roads**, bridges and railway lines within Australia over which stock, components and materials used in **your business** are conveyed to or from **your premises** if the following apply:

What we cover (cont.)

- (a) the **damage** would have been covered under an Insured event listed in Policy section 1 – Property damage if such **damage** had been to **property insured** under that Policy section;
- (b) the **damage** results in not being able to convey stock, components or materials used in **your business** to and from **your premises**; and
- (c) the **damage** results in interruption of, or interference to, **your business**.

The most **we** will pay for any one **event** is 20% of the **insured amount** for 'Revenue' shown on **your policy schedule**.

8. Infectious diseases, murder, suicide

What we cover

Damage as a result of the closure or evacuation of the whole or part of the **premises** by order of a competent government, public or statutory authority as a result of:

- (a) infectious or contagious human disease occurring at the **premises**;
- (b) vermin or pests or defects in the drains or other sanitary arrangements at the **premises**;
- (c) poisoning of customers directly caused by the consumption of food or drink provided on the **premises**;
- (d) the outbreak of a human infectious or contagious disease occurring within a 20 kilometre radius of the **premises**;
- (e) murder or suicide occurring at the **premises**; or
- (f) shark or crocodile attack occurring within a 20 kilometre radius of the **premises**.

What we exclude

We will not pay any claim that is directly or indirectly caused by or arises from, or is in consequence of, or is contributed to by:

- (a) cleaning, repairing or checking **your premises**; or
- (b) highly pathogenic Avian influenza, or any biosecurity emergency or human biosecurity emergency declared under the Biosecurity Act 2015 (Cth), its subsequent amendments or successor, irrespective of whether discovered at the **premises** or elsewhere.

9. Computer installation

What we cover

Damage to a computer installation, including any ancillary equipment and **data processing media** utilised by **you** in **your business** anywhere in Australia other than at the **premises** if the following apply:

- (a) the **damage** would have been covered under an Insured **event** specified in Policy section 1 – Property damage if such **damage** had been to **property insured** under that Policy section;
 - (b) the **damage** results in not being able to utilise a computer installation or any ancillary equipment in **your business**; and
 - (c) the **damage** results in interruption of, or interference with, the **business**.
-

10. Documents temporarily removed

What we cover

Damage to **your** documents or documents held in trust by **you** as part of **your business** that are:

- (a) temporarily removed to other premises anywhere in Australia; or
- (b) in transit to any place in Australia,

where the **loss** or **damage** would have been covered under an Insured **event** specified in Policy section 1 – Property damage if such **damage** had been to **property insured** under that Policy section and the **damage** results in the interruption of, or interference with, the **business**.

The most **we** will pay for any one **event** is 20% of the **insured amount** for 'Revenue' shown on **your policy schedule**.

11. Registered motor vehicles owned or operated by you

What we cover

Accidental loss or **damage** to any registered **vehicle** or trailer owned or operated by **you** when they are at the **premises** or in buildings anywhere in Australia.

What we exclude

We will not pay for **loss** or **damage** to any registered **vehicle** whilst on a **road**.

12. Transit

What we cover

Interruption to **your business** from **damage** to **stock** whilst in transit by **road**, rail, sea or air within Australia and away from **your premises** where the **damage** would have been covered under an Insured **event** specified in Policy section 1 – Property damage if such **damage** had been to **property insured** under that Policy section.

The most **we** will pay for any one **event** is 10% of the **insured amount** for 'Revenue' shown on **your policy schedule**.

Extra covers

If **we** agree to pay a claim under this Policy section for a reduction of **your business revenue** arising from an Insured event covered by this Policy section, **we** will also provide the Extra covers set out below. Unless stated otherwise, any amounts payable under these Extra Covers apply in addition to the **insured amount** shown on **your policy schedule** for this Policy section.

The most **we** will pay for all claims in total under Extra covers 1, 2 and 3 arising from any one **event** is \$20,000 or the amount shown on **your policy schedule** for this Policy section.

1. Included claims preparation costs (Professional fees)

What we cover

We will pay the reasonable professional fees (including those of an auditor or accountant) and other reasonable expenses incurred by **you** for the preparation of claims under this Policy section.

Any cover given under this Extra cover shall not accumulate with any similar cover that may be given under Policy section 6 – Management liability or Policy section 9 – Tax probe.

If **you** want to increase the amount of cover for claims preparation costs, **you** must have selected Optional insurance 1- Additional claims preparation costs of this Policy section.

2. Included increased cost of working

What we cover

We will pay the additional expenditure reasonably incurred by **you** during the **indemnity period** for all costs not otherwise recoverable that are necessarily incurred for the sole purpose of resuming or maintaining normal business operations or services following **damage** covered by this Policy section.

If **you** want to increase the amount of cover for increased cost of working, **you** must have selected Optional insurance 2 – Additional increased cost of working of this Policy section.

3. Included outstanding accounts receivable

What we cover

We will pay the amounts which **you** cannot recover from **your** debtors following **damage** to **your** debt records if:

- (a) **we** have admitted liability for **your** claim; and
- (b) as soon as possible at the end of each month, **you** record and store at **your** accountant's, auditor's or alternative premises, the total of the **outstanding accounts receivable**, and keep these figures for a period of 12 months.

The most **we** will pay under this Extra cover for any one claim is the difference between:

- (a) the **outstanding accounts receivable**; and
 - (b) the total of the amount received or traced in respect of the **outstanding accounts receivable**.
-

4. Reinstatement of insured amount

What we cover

If **we** pay an amount for a claim under this Policy section, **we** will automatically reinstate the **insured amount**. **You** will not have to pay any additional premium.

This Extra cover does not apply if **we** pay the full **insured amount** in respect of a single claim under this Policy section.

5. Multi-channel retailing

What we cover

We will apply the cover provided by this Policy section to each channel of **your business** separately if:

- (a) **your business** is conducted in multi-channels; and
- (b) each channel has independent trading results which are ascertainable.

The most **we** will pay for all losses resulting from the one **event** is the **insured amount** for 'Revenue' shown on **your policy schedule**.

What we pay

If **we** agree to pay a claim for a reduction in **revenue** and increased costs of working covered under this Policy section, **we** will pay:

- (a) the amount by which as a consequence of **damage** covered by this Policy section, the **revenue** earned during the **indemnity period** falls short of the **standard revenue** where **revenue**, for the relevant periods, is calculated primarily by reference to the amounts shown at G1 on **your Business Activity Statement** for the relevant periods and by also considering **your** other business records, such as cash books, bank statements, stocktake lists, invoices issued and received, GST calculation sheets and **your** Business Plan; and
- (b) in respect of the increased costs incurred to avoid a reduction in **revenue** as a consequence of **damage** covered by this Policy section and with **our** consent, increased costs necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the shortage in **standard revenue**, provided the costs are less than, or equal to, the amount **we** would have paid for a reduction in **standard revenue** under (a) above.

Limits to what we pay

The most **we** will pay for a claim for reduction in **revenue** covered under this Policy section is the **limit** calculated as follows:

$$\text{Limit} = A \times 120\%$$

where A is the amount shown for 'Revenue' in the **policy schedule** \times $\frac{\text{indemnity period in months}}{12 \text{ months}}$

As **you** will see, the calculation has factored in a margin of 20% to allow for business trends and the possibility of a loss occurring towards the end of the **period of insurance**.

Example

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

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

Policy section conditions

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

1. Loss of rent

We will not pay for loss of rental:

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

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

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

2. Other factors

In deciding the amount by which **your business revenue** has been reduced and how much is payable for increased costs of working, **we** will consider:

Savings to the business

The amount saved during the **indemnity period** for expenses of the **business** which cease or are reduced as a consequence of the **damage** covered by this Policy section.

Other events and trends

Any events or trends which your **business** is affected by, whether before or after, the interruption took place and adjust the **standard revenue** accordingly to reflect the likely **revenue** of the **business** during the **indemnity period**.

Alternative trading

Any other trading that **you** carry out or which is carried out on **your** behalf, or for **your** benefit at any other premises.

Accumulated stocks

Any run down of accumulated **stock** which is carried out to postpone any reduction or shortage of **revenue**.

Salvage stock

Any stock salvage sales following the **damage**.

Excess

You must pay the **excess** shown on **your policy schedule** for each claim under this Policy section.

If **we** agree to pay a claim for **loss** of, or **damage** to, **your property** under Policy section 1 – Property damage, then **you** do not have to pay the **excess** shown on **your policy schedule** for this Policy section.

Definitions

These words have the following meanings and apply only to this Policy section. These defined terms prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording. **You** should also refer to the General definitions on page 22 to 28.

Business Activity Statement

The Business Activity Statement (BAS) is the single approved form **you** fill and return to the Australian Tax Office (ATO) to report **your** obligations and entitlements relating to GST and other tax obligations.

Damage

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

Indemnity period

The period beginning with the occurrence of the **damage** and ending on the earlier of the date:

- (a) when the **business** is no longer affected by the **damage**;
- (b) that any of the circumstances referred to in 'What we exclude' of the insuring clause occurs; or
- (c) the 'Indemnity Period' shown on **your policy schedule** ends.

Outstanding accounts receivable

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

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

Rent receivable

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

Revenue

The amount of money paid or payable to **you** for goods sold, work done and services rendered in the course of **your business** activities. Revenue is also known as sales or turnover.

If **you** are a property owner, revenue also includes rental income, being income received by **you** from tenants covering all or part of **your premises** and includes outgoings paid by tenants under a written rental or lease agreement.

Standard revenue

The sum representing the **revenue** during that period in the 12 months immediately before the date of the **damage** which corresponds with **the indemnity period**, to which adjustments are made to provide for trends, variations or other circumstances.

Policy section 5 – Public and products liability

About this Policy section

This Policy section provides cover for **your** legal liability to pay compensation for **personal injury, property damage, or advertising liability** which happens during the **period of insurance** within the **geographic limitations** and is caused by an **occurrence** in connection with the **business or products**.

You can claim for legal liability as described under 'What we cover', if:

- (a) 'Public and products liability' is shown as insured on **your policy schedule**;
- (b) it is not excluded by any of the exclusions under 'What we exclude'; and
- (c) it is not excluded by any of the General exclusions listed on pages 20 to 22.

What we cover	What we exclude
<p>We will cover your legal liability (if found by a court or tribunal or accepted by us) to pay compensation in respect of any claim for personal injury, property damage or advertising liability which:</p> <ul style="list-style-type: none">(a) occurs during the period of insurance;(b) is caused by an occurrence in connection with the business or products;(c) occurs within the geographic limitations; and(d) is neither intended or expected by you.	<p>This Policy section (including the Additional benefits unless expressly stated otherwise) does not cover you for any liability arising directly or indirectly out of, caused by, through, or in connection with, or for:</p> <p>1. Types of advertising liability</p> <p>In respect of advertising liability:</p> <ul style="list-style-type: none">(a) an act, error or omission that occurs prior to the first period of insurance that this Policy section is included in your policy;(b) statements made by you or at your direction in the knowledge that such statements are false;(c) the failure of performance of contract but this exclusion shall not apply to claims for unauthorised appropriation of advertising ideas contrary to an implied contract;(d) any incorrect description of products or services;(e) any mistake in advertised price of products or services;(f) failure of products or services to conform with advertised performance, quality, fitness or durability;(g) the export of products, or business visits by your directors, executives and employees, to the United States and Canada; or(h) your business's involvement in publishing, broadcasting, telecasting, internet publishing, newspaper or magazine publishing. <p>2. Pollution</p> <ul style="list-style-type: none">(a) the discharge, dispersal, release or escape of pollutants into or upon land, the atmosphere or water unless such discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended from your standpoint and takes place in its entirety at a specific time and place;

What we exclude (cont.)

- (b) the cost of preventing, removing, nullifying or cleaning up any contamination or pollution as a consequence of the discharge, dispersal, release or escape of any **pollutants**. However this paragraph b. does not apply to removal, nullifying or cleaning up costs which are consequent upon a sudden, identifiable, unexpected and unintended happening which takes place in its entirety at a specific time and place; or
- (c) the actual, alleged or threatened discharge, dispersal, release, seepage, migration or escape of **pollutants** caused by any of **your products** that has been discarded, dumped, abandoned or thrown away by others.

3. Asbestos

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

4. Employers liability

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

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

What we exclude (cont.)

5. Vehicles

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

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

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

6. Aircraft and watercraft

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

7. Professional duty

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

What we exclude (cont.)

(d) the dispensing of drugs, medicines, pharmaceutical supplies or artificial aids.

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

8. Fines, penalties and punitive damages

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

9. Product and known defects

(a) **damage to products** if that **damage** is attributable to any defect in them or their harmful nature or they are not fit for purpose; or

(b) any defect or deficiency in **products** of which **you** or **your** agents have knowledge or have reason to suspect at the time when **products** pass from **your** actual physical custody or from the actual physical custody of any person under **your** control.

10. Product recall

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

11. Loss of use

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

(a) delay in or lack of performance by **you** or on **your** behalf of any contract or agreement; or

(b) the failure of **products** or work performed by **you** to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by **you**.

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

12. Faulty workmanship

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

13. Defective design

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

What we exclude (cont.)

14. Aircraft landing areas

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

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

15. Jurisdiction limits

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

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

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

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

16. Preventing our right of recovery

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

17. Contractual liability

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

What we exclude (cont.)

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

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

18. Internet and computer operations

- (a) **your internet operations**; or
- (b) **property damage to data and media** arising directly or indirectly out of or caused by, through or in connection with:
 - (i) the use of any computer hardware or software;
 - (ii) the provision of computer or telecommunications services by **you** or on **your** behalf; or
 - (iii) any **loss or damage** caused by any **computer virus**.

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

19. Libel or slander

The publication or communication of a slanderous or defamatory statement:

- (a) made prior to the commencement of the **period of insurance**;

What we exclude (cont.)

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

20. Property in physical or legal control

Property damage to:

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

However this exclusion will not apply to the cover provided by Additional benefit 2 - Property in **your** physical or legal control or paragraphs e. to g. of Additional benefit 3 – Vehicles of this Policy section.

21. Hot work

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

22. Underground works

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

23. Weakening of support to property

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

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

24. Molestation

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

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

25. Building works

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

Extra covers

Legal costs

What we cover

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

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

Additional benefits

We will also provide the following Additional benefits in this Policy section subject to the General exclusions and all the terms, conditions and exclusions and any **endorsement** that apply to this Policy section, unless stated otherwise.

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

Any amounts payable under these Additional benefits do not apply in addition to the **limit of liability** shown on **your policy schedule** for this Policy section, unless stated otherwise.

1. First aid costs

What we cover

We cover expenses incurred by **you** for first aid to others at the time of an **occurrence** which gives rise to **your** legal liability covered by this Policy section.

2. Property in your physical or legal control

What we cover

We will pay a claim for **your** legal liability covered by this Policy section (as if Exclusion 20 - Property in physical or legal control of this Policy section does not apply to this Additional benefit):

- (a) to any customer, **principal** or person for whom **you** perform work in the course of the **business** for:
 - (i) the cost of replacing keys or security cards which are **damaged**, destroyed, **lost** or stolen whilst in **your** physical or legal control or that of another person or entity who undertakes or has undertaken work on **your** behalf;
 - (ii) the cost of replacing, recalibrating or re-keying locks, locking mechanisms or other security devices which results from the **damage**, destruction, **loss** or theft of keys or security cards whilst in **your** physical or legal control or that of another person or entity who undertakes or has undertaken work on **your** behalf;

What we cover (cont.)

- (iii) the **loss** of use of keys, security cards, locks, locking mechanism or other security devices caused by the **damage**, destruction, **loss** or theft of keys or security cards whilst in **your** physical or legal control or that of another person or entity who undertakes or has undertaken work on **your** behalf,

subject to:

- the most **we** will pay in respect of any one **occurrence** and in total for all claims for any one **period of insurance** is \$5,000 unless some other sub-limit is shown on **your policy schedule** or attached by **endorsement**; and
 - **you** contributing an amount of \$500 as the first payment of any claim in addition to any **excess** specified elsewhere in this Policy section or shown on **your policy schedule**.
- (b) for **property damage** to **premises** which are leased or rented by **you** for the purpose of carrying on **your business** and the liability does not arise from **your** failure to insure the **premises** as required in the lease or rental agreement;
- (c) for **property damage** to **your** directors' or employees' property to the extent it is not otherwise covered under Policy section 1 – Property damage;
- (d) for **property damage** to premises temporarily occupied by **you** for the purpose of carrying out work in connection with the **business** or **damage** to or **loss** of the contents of such premises; or
- (e) for **property damage** to property not owned by **you** but in **your** physical or legal control (other than property referred to in subparagraphs a. to d. of this Additional benefit and e. to g. of Additional benefit 3 – Vehicles), subject to the most **we** will pay for any one **occurrence** is \$250,000 or any other greater amount is shown on **your policy schedule**.

To avoid doubt, this Additional benefit prevails over Policy section Exclusion 20 – Property in physical or legal control.

3. Vehicles

What we cover

We will pay a claim for **your** legal liability covered by this Policy section (as if Policy section Exclusion 5 – Vehicles does not apply to the whole of this Additional benefit and Policy section Exclusion 20 – Property in physical or legal control does not apply to paragraphs e. to g. of this Additional benefit) for:

What we exclude

What we cover (cont.)

- (a) **personal injury** arising out of an **occurrence** caused by a **vehicle** in **your** physical or legal control where the occurrence is partially (to the extent of that part) or totally outside the indemnity afforded under such compulsory liability insurance or other legislation relating to **vehicles** and where the reason the **occurrence** is outside the indemnity afforded by compulsory liability insurance or statutory indemnity does not involve a breach by **you** of legislation relating to **vehicles**;
- (b) **property damage** arising out of or during loading and unloading of goods to or from any **vehicle** in the course of the **business**;
- (c) **property damage** caused by the operation or use of any **vehicle** which is principally designed for lifting, lowering, loading or unloading any goods and is not also a road transport **vehicle** whilst being operated or used by **you** or on **your** behalf in the course of the **business**;
- (d) **property damage** caused by the use of any tool or plant forming part of or attached to or used in connection with any **vehicle** other than when travelling to or from any work site or transporting or carting goods;
- (e) **loss** of, or **damage** to, **vehicles** (not belonging to **you** or used by **you** or on **your** behalf) in **your** physical or legal control when such **loss** or **damage** occurs whilst any such **vehicle** is in a car park owned or operated by **you** provided that as part of **your business you** do not operate such car park for reward;
- (f) **property damage** to **vehicles** not belonging to **you** or used by **you** or on **your behalf**, but in **your** physical or legal control as part of **your business**; or
- (g) **property damage** caused by the use of any **vehicle** not belonging to **you** but in **your** physical or legal control whilst being driven or moved as part of **your business**,

provided that in relation to paragraphs e. to g. above:

- (i) the **damage** results from an **occurrence** taking place on **your premises** and the **vehicle** is under the control of a driver with a licence that is valid in Australia in relation to the class of **vehicle**;
- (ii) the most **we** will pay for **your** legal liability in respect of any one **occurrence** is \$250,000 unless some other sub-limit is shown on **your policy schedule** or attached by **endorsement**; and
- (iii) **we** will not be liable for the first:

What we cover (cont.)

1. \$1,000 when the **vehicle** is being driven by a person under 25 years of age; or
2. \$250 when the **vehicle** is being driven by a person who has not held a driving licence in relation to the class of **vehicle** for two or more consecutive years.

These **excesses** are cumulative to the extent that one or more of the above circumstances apply and they are also in addition to the amount of any other applicable **excess** specified in this Policy section or shown on **your policy schedule**.

To avoid doubt, this Additional benefit prevails over Policy section Exclusion 5 - Vehicles and sub-paragraphs e. to g. of this Additional benefit prevail over Policy section Exclusion 20 – Property in physical or legal control, to the extent of any inconsistency.

4. Principals

What we cover

Subject to the same terms and conditions which apply to **you, we** will extend the cover for legal liability provided by this Policy section to a **principal of yours**.

This Additional benefit will only apply:

- (a) to legal liability for **personal injury** or **property damage** incurred by the **principal** which arises directly from **your** negligence in the performance of the contract between **you** and the **principal**;
- (b) to the extent the cover under this Additional benefit is required by the contract between **you** and the **principal**; and
- (c) where a claim made by **you** in relation to the **occurrence** which gives rise to the **principal's** legal liability would not be excluded or otherwise outside the cover provided by this Policy section.

The **principal** does not need to be noted on the **policy schedule** for this Additional benefit to apply.

What we exclude

This Additional benefit will not extend to any legal liability incurred by a **principal** which:

- (a) arises out of or in connection with the **principal's** own negligence, acts, errors or omissions;
- (b) arises independently of **your** performance of the contract between **you** and the **principal**; or
- (c) arises from an **occurrence** in respect of which **you** or the **principal** is entitled to be indemnified pursuant to an insurance policy which provides workers compensation insurance or any other insurance policy or scheme which provides cover against liability for injuries to workers or employees.

5. Interested parties

What we cover

Subject to the same terms and conditions which apply to **you, we** will extend the cover for legal liability provided by this Policy section to an **interested party**.

This Additional benefit will only apply:

- (a) to legal liability for **personal injury** or **property damage** incurred by the **interested party** that arises directly from **your** negligence in the carrying out of

What we exclude

This Additional benefit will not extend to any legal liability incurred by an **interested party** which:

- (a) arises out of or in connection with the **interested party's** own negligence, acts, errors or omissions;
- (b) arises independently of **your** performance of any contract or agreement between **you** and the **interested party**; or

What we cover (cont.)	What we exclude (cont.)
<p>work or services in connection with your business as part of an undertaking or contract entered into between you and the interested party;</p> <p>(b) to the extent the cover under this Additional benefit is required by the contract or agreement between you and the interested party; and</p> <p>(c) where a claim made by you in relation to the occurrence which gives rise to the interested party's legal liability would not be excluded or otherwise outside the cover provided by this Policy section.</p>	<p>(c) arises from an occurrence in respect of which you or the interested party is entitled to be indemnified pursuant to an insurance policy which provides workers compensation insurance or any other insurance policy or scheme which provides cover against liability for injuries to workers or employees.</p> <p>This Additional benefit will not extend to an interested party that is also a principal.</p>

6. Non-manual work worldwide cover

What we cover

We will pay a claim for compensation in respect of which **your** legal liability covered by this Policy section arises from non-manual work carried out by **you** anywhere in the world provided that at the time of the work being carried out, the person carrying out that work is normally a resident in Australia or New Zealand.

7. Representation costs

What we cover

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

What we pay

Public liability

We will pay up to the 'Public Liability' **limit of liability** shown on your **policy schedule** for all amounts which you become legally liable to pay for compensation for **personal injury**, **property damage** or **advertising liability** covered by this Policy section resulting from an **occurrence**.

Products liability

We will pay up to the 'Products Liability' **limit of liability** shown on **your policy schedule** in total for all **occurrences** that give rise to your legal liability to pay compensation for **personal injury** or **property damage** covered by this Policy section and that happen during the **period of insurance** in connection with **products**.

Legal costs

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

Application of limit of liability to claims that exceed the limit

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

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

Policy section conditions

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

1. Joint insureds

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

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

2. Reasonable care

You must:

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

3. Inspection of property

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

Excess

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

Definitions

These words have the following meanings and only apply to this Policy section. These defined terms prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording. **You** should also refer to the General definitions on page 22 to 28.

Advertising liability

Means:

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

Geographic limitations

Means:

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

Interested party

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

Internet operations

Means:

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

Named insured

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

Occurrence

An **event** neither expected nor intended from **your** standpoint including continuous or repeated exposure to substantially the same general conditions. A series of occurrences arising from the one original cause will be deemed to be the one occurrence.

Personal injury

Means:

- (a) bodily injury, death, sickness, disease, disability, shock, fright, mental anguish, mental injury or loss of consortium;
- (b) false arrest, false imprisonment, wrongful eviction, wrongful detention or malicious prosecution;
- (c) libel, slander, defamation of character or invasion of right of privacy; or
- (d) assault and battery not committed by **you** or at **your** direction unless committed for the purpose of preventing or eliminating danger to persons or property.

Principal

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

Product or products

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

Property damage

Means:

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

You, your, yours, yourself

The term '**you**' means:

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

Policy section 6 – Management liability

About this Policy section

This Policy section provides cover for the management liability of **you, your directors, officers and employees**. The cover in this Policy section (apart from Optional insurance 1 – Employee dishonesty) is issued on a claims made and notified basis, which is discussed on page 9.

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

You can claim for **loss** as described under 'What we cover' if:

- 'Management Liability' is shown as insured on **your policy schedule**;
- the **claim** was first made against **you** and notified to **us** during the **period of insurance** (or **discovery period**, if applicable);
- the **loss** is not excluded by any of the exclusions under what 'What we exclude'; and
- the **loss** is not excluded by any of the General exclusions listed on pages 20 to 22.

What we cover	What we exclude
<p>We will cover you for loss above the excess resulting from claims first made against you and notified to us during the period of insurance (or discovery period, if applicable).</p>	<p>This Policy section does not cover:</p> <p>Exclusion 1 – Bodily injury and property damage Loss resulting from claims:</p> <p>(a) for bodily injury, any form of psychiatric, psychological or mental injury, illness, disease or death of any person; or</p> <p>(b) for damage to or destruction of any tangible property including any resulting consequent loss of use.</p> <p>This exclusion will not apply to any actual or alleged psychiatric, psychological or mental injury alleged in any claim by any insured person resulting from any employment wrongful act.</p> <p>Exclusion 2 – Dishonest or criminal intent or improper conduct Loss resulting from claims against you arising directly or indirectly from or in respect of:</p> <p>(a) any wrongful act committed by you with wilful, reckless, dishonest, fraudulent, malicious or criminal intent;</p> <p>(b) an insured person or trustee improperly using their position to gain an advantage for themselves or someone else or to cause a detriment to the company or the superannuation fund; or</p> <p>(c) an insured person or trustee improperly using information obtained as a result of their position to gain an advantage for themselves or someone else or to cause a detriment to the company or the superannuation fund,</p> <p>in each case only if established by formal written admission by you or final decision of a court or tribunal.</p>

What we exclude (cont.)

For the purpose of this exclusion, the fact that one of **you** has committed or is alleged to have committed the conduct described in subparagraphs a., b. or c. above will not be imputed to any other of **you**.

This exclusion does not apply to Optional insurance 1 – Employee dishonesty of this Policy section.

Exclusion 3 – Known claims and circumstances

Loss resulting from **claims** arising directly or indirectly from or in respect of any fact, **event**, circumstance or **wrongful act**:

- (a) known to **you** at the inception of this **policy** and which a reasonable person in the circumstances might reasonably expect to give rise to a **claim**;
- (b) which has been or should reasonably have been the subject of any written notice given under any insurance policy of which this **policy** is a direct or indirect renewal or replacement; or
- (c) alleged in, discovered in, relating to or underlying any **claim** made against **you** prior to the commencement of the period of insurance.

Exclusion 4 – Certain company losses

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

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

This exclusion does not apply to Optional insurance 1 – Employee dishonesty of this Policy section.

Exclusion 5 – Contractual liability

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

Exclusion 6 – Pollution

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

Exclusion 7 – Intellectual property rights

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

What we exclude (cont.)

Exclusion 8 – Restrictive trade practices

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

Exclusion 9 – Professional services

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

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

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

Exclusion 10 – Public capital raisings

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

Exclusion 11 – Jurisdiction limits

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

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

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

What we exclude (cont.)

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

Exclusion 12 - Retroactive date

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

Exclusion 13 - Subrogation waiver

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

Exclusion 14 - Occupational health and safety law

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

Exclusion 15 – Subsidiaries

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

Additional benefits

We will also provide the following Additional benefits in this Policy section subject to the General exclusions and all the terms, conditions and exclusions and any **endorsement** that apply to this Policy section, unless stated otherwise.

Any amounts payable under these Additional benefits do not apply in addition to the **insured amount** shown on **your policy schedule**.

1. Advancement of defence costs and representation expenses

What we cover

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

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

What we cover (cont.)

If a **claim** alleges a **wrongful act** or illegal or improper conduct as described in Exclusion 2 – Dishonest or criminal intent or improper conduct, then **we** will advance **defence costs** and **representation expenses** in respect of such **claim** provided that if it is found by way of an admission by **you**, judgment or adjudication that **you** did commit such **wrongful act** or engage in such illegal or improper conduct, then any amounts previously advanced shall be repaid to **us** within 30 days following the request for repayment.

2. Continuity

What we cover

In the absence of fraudulent non-disclosure or fraudulent misrepresentation, where a **claim** that would otherwise be covered by this Policy section is excluded by Exclusion 3 – Known claims and circumstances, then cover is provided under this Policy section, provided that:

- (a) **you** were insured against the **wrongful act** by **us** at the time when **you** first became aware of such fact, **event**, circumstance or **wrongful act** and have since been insured continuously by **us**, under an insurance policy of which this Policy section is a replacement; and
- (b) no related **claim** has been made against **you** prior to the **period of insurance**.

The cover provided under this Additional benefit will be in accordance with this Policy section, except that:

- (i) if the **excess** applicable to the insurance policy in force at the time when **you** first became aware of such fact, **event**, circumstance or **wrongful act** is higher than the **excess** shown on **your policy schedule**, then that higher amount will be deemed to be the **excess** shown on **your policy schedule** in respect of such **claim**; and
 - (ii) if the insured amount applicable to the insurance policy in force at the time when **you** became aware of such fact, **event**, circumstance or **wrongful act** is lower than the **insured amount** shown on **your policy schedule**, then that lower amount will be deemed to be the **insured amount** in respect of such **claim**.
-

3. Acquisition or creation of new subsidiaries

What we cover

If, during the **period of insurance**, the **policyholder** acquires or creates a new **subsidiary** that has total assets (by reference to the new **subsidiary's** most recent financial statements as at the time of acquisition or creation) that are no greater than the total assets of the **policyholder** (by reference to the **policyholder's** most recent financial statements as at the time of acquisition or creation), then the definition of **company** will be extended to include the new **subsidiary** with effect from the date of acquisition or creation of such **subsidiary** by the **policyholder**.

What we exclude

The definition of **company** does not include any new **subsidiary** acquired or created by the **policyholder** that:

- (a) has any of its securities listed on any exchange in the **United States**; or
- (b) is domiciled or incorporated in the **United States**.

4. Outside directorships

What we cover

This Policy section is extended to include as an **insured person** a person who, at the written request of the **company** was prior to, during or after the **period of insurance**, a **director** or **officer** of, or occupies a position of equivalent status in, any **non-profit outside entity** or **outside entity**.

Any cover provided under this Additional benefit will be specifically in excess of:

- (a) any indemnity; or
- (b) any insurance contract specified by endorsement, available from or through the **non-profit outside entity** or **outside entity**.

5. Occupational health and safety expenses

What we cover

Subject to the provisions of Additional benefit 1 – Advancement of defence costs and representation expenses and notwithstanding Exclusion 1 – Bodily injury and property damage, Exclusion 14 – Occupational health and safety law and General exclusion 4 – Non-compliance, **we** will:

- (a) pay on behalf of **you**:
 - (i) **defence costs** incurred in defending **claims** (other than a civil claim for compensation or damages) first made against **you** and notified to **us** during the **period of insurance**, based upon occupational or work health and safety law which results from a **wrongful act**;
 - (ii) **representation expenses**, where the subject matter of the **official investigation**, examination, inquiry or other proceedings is occupational or work health and safety law; and

What we cover (cont.)

- (b) cover **you** for fines or penalties to the extent permitted by law imposed upon **you** resulting from **claims** first made against **you** and notified to **us** during the **period of insurance** based upon occupational or work health and safety law.

For the purposes of this Additional benefit, **representation expenses** also includes necessary and reasonable costs, charges and expenses (other than regular or overtime wages, salaries, fees or **benefits** of an **insured person**) incurred with **our** prior consent, in representing and assisting **you** at a visit from an inspector of a workplace health and safety authority in connection with and following a workplace safety incident, provided that notice of the visit is given to **you** and is notified to **us** during the **period of insurance**.

The cover provided under this Additional benefit will only apply to **claims** made in jurisdictions within Australia and New Zealand and pursuant to the relevant laws of Australia or New Zealand.

If there is an entitlement to payment under Additional benefit 6 – Pollution expenses of this Policy section, then there is no entitlement to payment under this Additional benefit.

6. Pollution expenses

What we cover

Subject to the provisions of Additional benefit 1 – Advancement of defence costs and representation expenses and notwithstanding Exclusion 1 – Bodily injury and property damage, or Exclusion 6 – Pollution and General exclusion 4 – Non-compliance, **we** will pay on behalf of **you**:

- (a) **defence costs** incurred in defending **claims** (other than a civil claim for compensation or damages) first made against **you** and notified to **us** during the **period of insurance**, based on **pollution** which results from a **wrongful act**; and
- (b) **representation expenses**, where the subject matter of the **official investigation** is **pollution**.

The cover provided under this Additional benefit will only apply to **claims** made within the jurisdiction of Australia and New Zealand and pursuant to the relevant laws of Australia or New Zealand.

7. Emergency costs

What we cover

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

8. Personal tax liability

What we cover

The definition of **loss** is extended to include any personal liability an **insured person** incurs with respect to unpaid taxes of an insolvent company.

The most **we** will pay under this Additional benefit for any one **period of insurance** is \$25,000.

9. Public relations expenses

What we cover

The definition of **loss** is extended to include the reasonable costs, charges, fees and expenses of a public relations firm or consultant incurred with **our** prior consent which **you** engage to prevent or limit the adverse effects or negative publicity which results from or is anticipated to result from a **claim**.

The most **we** will pay under this Additional benefit for any one **period of insurance** is \$25,000.

10. Business crisis consultant fees

What we cover

We will pay on behalf of the **company, business crisis consultant fees** incurred by the **company** in responding to a **business crisis event** that first occurs during the **period of insurance**.

The most **we** will pay under this Additional benefit for any one **business crisis event** is \$25,000.

11. Spouses and legal representatives

What we cover

If an **insured person** dies or becomes legally incapable, insolvent or bankrupt, then this Policy section will cover **loss** resulting from **claims** first made against the **insured person's** estate, heirs, executors or other legal representatives during the **period of insurance**, provided that the estate, heirs, executors or other legal representatives must comply with the terms of this Policy section.

What we cover (cont.)

If a **claim** against an **insured person** includes a claim against that **insured person's spouse** solely by reason of:

- (a) the **spouse's** legal status as a **spouse** of the **insured person**; or
- (b) the **spouse's** ownership interest in property which the claimant seeks as recovery for **claims** made against the **insured person**,

then all **loss** for which the **spouse** becomes legally liable that would otherwise be covered by this Policy section will be treated for the purposes of this Policy section as **loss**, except to the extent the **claim** alleges any act, error or omission by the **insured person's spouse**.

12. Retired directors and officers

What we cover

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

13. Automatic discovery period

What we cover

In the event that this Policy section is neither renewed nor replaced for any reason other than for non-payment of premium, and provided that no **merger or acquisition** has occurred, the **policyholder** will be entitled to a **discovery period** of 90 days at no additional premium.

Discovery periods are non-cancellable, and any **claim** made during a **discovery period** will be deemed to have been first made during the immediately preceding period of insurance.

The entitlement to a **discovery period** will not increase or reinstate the **insured amount** shown on **your policy schedule**.

Optional insurance

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

1. Employee dishonesty

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

Optional insurance Extra covers

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

1. Claims preparation costs

What we cover
<p>We will pay for the reasonable cost of auditors' fees and other reasonable expenses incurred by you with our consent, for the preparation of claims under this Optional insurance.</p>

What we cover (cont.)

The most **we** will pay for claims preparation costs for any one **period of insurance** is \$25,000.

Any amounts payable for claims preparation costs do not apply in addition to the **insured amount** applicable to this Optional insurance.

2. Retroactive cover

What we cover

If Optional insurance 1 – Employee dishonesty replaces any previous fraud and dishonesty insurance policy held by **you** that is terminated, cancelled or allowed to expire at the time of the replacement, **we** will cover any **fidelity loss** that is within the period of insurance of the consecutive previous insurance policy provided that:

- (a) the **fidelity loss** would have been recoverable by **you** under the consecutive previous insurance policy except for the fact that the time within which to discover any **fidelity loss** had expired; and
 - (b) the **fidelity loss** would have been covered under this Policy section if it had been in force when the acts or defaults causing the **fidelity loss** were committed.
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3. Welfare, social or sporting club cover

What we cover

The definition of **you** is extended to include any welfare, social or sporting club formed with **your** knowledge and consent which is exclusively for the benefit of **employees** and their families.

Unless stated otherwise, any amounts payable in respect of this extension of the definition of **you** does not apply in addition to the **insured amount** applicable to this Optional insurance.

Policy section conditions

These conditions apply to all cover and claims under this Policy section unless otherwise stated.

1. Acquisition, merger or winding up of policyholder

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

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

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

2. Severability and imputation

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

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

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

3. Related claims

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

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

4. Notification

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

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

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

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

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

5. Claims conduct

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

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

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

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

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

6. Settlement

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

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

7. Allocation of loss

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

- (a) one of **you** only; or
- (b) more than one of **you**, whether jointly or severally; or
- (c) one or more of **you** and one or more persons or entities who is or are not covered under this Policy section, whether jointly or severally,

and which is partly covered and partly not covered under this Policy section (together 'Loss to be Allocated').

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

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

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

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

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

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

(e) all liability of the expert to either party will be excluded (including liability for negligence) to the full extent permitted by law.

This allocation applies for all purposes under this Policy section including Additional benefit 1 – Advancement of defence costs and representation expenses and Policy section Condition 8 – Subrogation and recoveries.

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

This provision prevails over the Complaints resolution provision contained in Part 2 of this **PDS** and Policy Wording with respect to **our** determination of the allocation, to the extent of any inconsistency and the extent permitted by law.

8. Subrogation and recoveries

Provision of information and assistance

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

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

All recoveries

All money recovered from other parties will be allocated in accordance with section 67 of the Insurance Contracts Act 1984 (Cth) as at the date this **PDS** and Policy Wording was prepared.

All money recovered from other parties before settlement of any **claim** under this Policy section will be held for the benefit of **us** and applied as stated immediately above after settlement, if any is made.

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

9. Authorisation

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

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

10. Confidentiality

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

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

11. Governing law

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

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

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

What we pay

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

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

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

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

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

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

Excess

The **excess** that applies to each **claim** for **loss** covered by this Policy section is shown on **your policy schedule**. This **excess** also applies to claims for **business crisis consultant fees** covered by Additional benefit 10 – Business crisis consultant fees.

The **excess** that applies to each claim for **fidelity loss** covered Optional insurance 1 – Employee dishonesty is shown on **your policy schedule**.

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

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

Definitions

These words have the following meanings and apply only to this Policy section. These defined terms prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording. **You** should also refer to the General definitions on pages 22 to 28.

Benefits

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

Business crisis consultant fees

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

Business crisis event

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

- (a) the loss of a major customer or contract of the **company**;

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

Claim

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

Company

Means:

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

Covered property

Tangible property other than **money**.

Defence costs

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

Director

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

Discovered/Discovery

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

Discovery period

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

Employee

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

Employment wrongful acts

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

- (a) wrongful dismissal, discharge or termination of employment;
- (b) wrongful failure to employ or promote;

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

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

Fidelity loss

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

Fidelity loss does not mean:

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

Insured person

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

Loss

Means:

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

Loss does not mean:

- (a) any amount that **we** are prohibited from paying under the laws applicable to this **policy**;
- (b) any amount representing a profit or advantage to which **you** are not legally entitled; or

- (c) with respect to any **claim** for an **employment wrongful act**:
- (i) any amounts payable in respect of a specified contractual obligation;
 - (ii) compensation payable in respect of contractual or statutory notice periods;
 - (iii) future salary or wages if the **company** was ordered to reinstate an **employee** but does not;
 - (iv) salary or wages earned prior to the date of termination; or
 - (v) **benefits**.

Management wrongful acts

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

- (a) the **company**; or
 - (b) a **director** or **officer** of the **company**, or as the holder of a position of equivalent status in any **non-profit outside entity** or **outside entity**, in that capacity; or
 - (c) a **trustee** of a **superannuation fund** in that capacity,
- but does not include an **employment wrongful act**.

Merger or acquisition

- (a) the **policyholder** or the **company** consolidating with, merging into or selling all or substantially all of its assets such that the **policyholder** or the **company** is not the surviving entity; or
- (b) the entity obtaining control (as the term is defined in the Corporations Act 2001) of the **policyholder** or the **company**.

Money

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

Non-profit outside entity

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

Officer

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

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

other than:

- a receiver, or receiver and manager;
- an administrator or an administrator of a deed of company arrangement;

- a liquidator; or
- a trustee or other person administering a compromise or arrangement made between the **company** and someone else.

Official investigation

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

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

Outside entity

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

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

Policy committee

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

Policyholder

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

Pollution

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

Related claims

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

Representation expenses

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

Retroactive date

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

Spouse

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

Subsidiary

- (a) a subsidiary of the **policyholder** as defined in the Corporations Act 2001; or
- (b) any body corporate in which the **policyholder**:
 - (i) controls the composition of the board of the body corporate;
 - (ii) is in a position to cast, or control the casting of, more than one-half of the maximum number of votes that might be cast at a general meeting of the body corporate; or

- (iii) holds more than one-half of the issued share capital of the first body (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital); or
- (c) any body corporate which is a subsidiary of a body corporate described in (a) or (b) above; or
- (d) any other body corporate whose accounts are consolidated into those of the **policyholder** in accordance with the relevant Australian Accounting Standard.

Superannuation fund

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

Trustee

Any **insured person** who:

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

Wrongful act

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

You or your

- (a) the **company**;
- (b) an **insured person**; and/or
- (c) a **trustee**.

Policy section 7 – Portable and valuable items

About this Policy section

This Policy section provides cover for **accidental loss** of or **damage** to portable or valuable items that **you** usually carry around with **you** in the course of **your business** anywhere in the world. Any item with a replacement value of more than \$2,500 must always be shown on **your policy schedule** as a **specified item** in order to receive cover up to the replacement value of that item.

You can claim for **accidental loss** of, or **damage** to, a **specified item** or **unspecified item** as described under what 'What we cover' if:

- 'Portable and Valuable Items' is shown as insured on **your policy schedule**;
- the **accidental loss** or **damage** occurs during the **period of insurance**;
- the **accidental loss** or **damage** is not excluded by any of the exclusions under what 'What we exclude'; and
- the **accidental loss** or **damage** is not excluded by any of the General exclusions listed on pages 20 to 22.

What we cover	What we exclude
<p>We will cover you for accidental loss of, or damage to, portable or valuable items shown on your policy schedule as property insured, occurring anywhere in the world during the period of insurance.</p> <p>For property insured shown as specified items on your policy schedule we cover up to the replacement value.</p> <p>For property insured shown as unspecified items on your policy schedule we cover up to \$2,500 per item.</p>	<p>We do not cover:</p> <p>(a) more than \$2,500 for loss or damage to any item with a replacement value of more than \$2,500, unless it is shown on your policy schedule as a specified item;</p> <p>(b) any unspecified item unless your policy schedule shows that you have cover for unspecified items and that unspecified item is part of the group or class of unspecified items shown on your policy schedule;</p> <p>(c) loss or damage caused by or arising out of:</p> <ul style="list-style-type: none">(i) the actual process of cleaning, maintenance, overhaul, repair or renovation, alteration, addition or undergoing a trade process;(ii) wear and tear, fading, gradual deterioration or developing flaws, normal upkeep or making good, or any gradual cause;(iii) moths, termites or other insects or vermin;(iv) scratching, biting or chewing by any animal;(v) chipping, scratching, denting or marring that does not materially affect the use or operation of the property insured;(vi) change in colour, loss of weight, change in flavour, texture or finish;(vii) the action of light, atmospheric conditions, any form of fungus or extremes of temperature, rust or oxidation, wet or dry rot, corrosion, inherent vice or latent defect;(viii) mechanical, hydraulic, electrical or electronic breakdown, burnout, failure, malfunction or derangement of any equipment or device;

What we exclude (cont.)

- (ix) soot or smoke from industrial operations (other than sudden and unforeseen resultant damage);
 - (x) any faults or defects in any item of **property insured** that **you** or any of **your employees** knew about before taking out this Policy section;
 - (xi) unexplained inventory shortage, disappearance resulting from clerical or accounting errors, or shortage in the supply or delivery of materials;
 - (xii) testing, experimentation, intentional overloading, misuse or abuse;
 - (xiii) cracking, scratching or breakage of **glass** or fragile items unless as a consequence of **loss** or **damage**;
 - (xiv) fraud or dishonesty by **you** or any other person;
 - (xv) kidnapping, bomb threat, threat of contamination, hoax, trickery, extortion or any attempt at any of these;
 - (xvi) detention, confiscation or disappearances by customs or any lawful authority;
 - (xvii) the sea, including tidal wave, tsunami, storm surge or high water;
 - (xviii) **flood**;
 - (xix) erosion; subsidence, earth movement or collapse;
 - (xx) faulty materials or faulty workmanship;
 - (xxi) error, failure or omission in design;
 - (xxii) spontaneous combustion, fermentation or heating; or
 - (xxiii) persons taking part in riots or civil commotion.
- (d) **loss** of, or **damage** to, **money** or documents of any kind;
 - (e) **loss** of, or **damage** to, tools of trade, sporting equipment, any remote controlled devices, guns or musical instruments while they are in use;
 - (f) **loss** of, or **damage** to, **property insured** undergoing any process involving the application of heat;
 - (g) loss of use, loss of earning capacity and any other consequential loss;
 - (h) **loss** of, or **damage** to, **property insured** as a result of:

What we exclude (cont.)

- (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;
- (i) **you** for any **loss** or **damage** caused by or arising out of theft:
- (i) committed by any person or any member of **your family** or by any of **your employees** whilst lawfully permitted to enter, be on or at the **premises**; or
 - (ii) of unattended **property insured** in the open air.
- (i) **you** for any **loss** or **damage** caused by or arising out of theft from any building or **vehicle** unless the **property insured** was:
- (i) securely locked in a **vehicle** and the theft was consequent upon forcible and violent entry which causes visible **damage** to the **vehicle**;
 - (ii) securely affixed to a **vehicle** and theft is consequent upon forcible and violent removal which causes visible **damage** to the securing devices;
 - (iii) securely chained to a **vehicle** by a steel chain (with a link diameter of 10mm or more) and a padlock (with a security rating of 6 or more under AS 4145.4 as amended) and theft is consequent upon forcible and violent removal which causes visible **damage** to the securing devices;
 - (iv) securely locked in a building or any part of the building and the theft is consequent upon forcible and violent entry to the building or that part of the building. However **we** will not cover any theft:
 - committed by any person while lawfully in the building or a tenant; or
 - of **property insured** which is unattended in areas of the building accessible by the general public; or
 - (v) stolen as a consequence of armed hold up or the threat of physical violence.
-

Extra cover

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

1. Reinstatement of insured amount

What we cover	What we exclude
We will automatically reinstate the insured amount to the amount shown on your policy schedule . You will not have to pay any additional premium.	

Additional benefit

We will also provide the following Additional benefit in this Policy section subject to the General exclusions and all the terms, conditions and exclusions and any **endorsement** that apply to this Policy section, unless stated otherwise.

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

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

1. Theft of other property

What we cover	What we exclude
We 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. The most we will pay under this Additional benefit for any one period of insurance is \$2,000.	This Additional benefit does not cover theft committed by any member of your family or by any employee of yours . We will not cover you for under this Additional benefit unless the property was: (a) securely locked in a vehicle and the theft was consequent upon forcible and violent entry which causes visible damage to the vehicle ; (b) securely and permanently affixed to a building or vehicle and theft is consequent upon forcible and violent removal of the property; (c) in a vehicle and was securely chained to that vehicle by a steel chain and a padlock; (d) in your private residence or the private residence of your employee who had been authorised by you to have the custody and control of the property; (e) securely locked in a building or any part of the building and the theft is consequent upon forcible and violent entry to the building or that part of the building. However, we will not cover any theft: (i) committed by any person while lawfully in the building or a tenant; or (ii) of property which is unattended in areas of the building; or (f) stolen as a consequence of armed hold-up or the threat of physical violence.

Optional insurance

We will also provide the following optional insurance when it is selected by **you**, agreed to by **us** and shown on **your policy schedule** as applying.

An extra premium will apply.

The loss or damage covered by the optional insurance must occur during the **period of insurance**. All of the conditions of this policy apply unless stated otherwise. Any amount payable under this Optional insurance apply in addition to the **insured amount**.

Theft of portable and valuable items without forced entry

What we cover

We will cover **loss** of or **damage** to any **specified item** or **unspecified item** caused by theft or attempted theft without forced entry, provided that the item was:

- (a) within an open sided structure or by perimeter fencing at a worksite;
- (b) kept in **your vehicle** at a worksite where the site regulations do not permit you to lock your; or,
- (c) stolen whilst **you** were loading or unloading **property insured** from the **vehicle** in the normal cause of **your** work.

We will not pay more than \$2,000 for any one **event** and more than \$6,000 during the **period of insurance**.

An **excess** of \$500 applies to any claim under this Optional Insurance.

What we exclude

We will not pay for **loss** or **damage** to any item left in the open air for longer than 24 hours at the same location.

What we will pay

If **we** agree to pay a claim for **accidental loss** of, or **damage** to, **property insured** covered under this Policy section **we** will, at **our** option:

- (a) repair or replace the **specified item** (including carry case and usual accessories) to a condition substantially the same as, but not better or more extensive than, its condition when new up to the **insured amount** for the **specified item** shown on **your policy schedule**;
- (b) pay **you** the cost of repairing or replacing the **specified item** to a condition substantially the same as, but not better or more extensive than, its condition when new up to the **insured amount** for the **specified item** shown on **your policy schedule**;
- (c) repair or replace the **unspecified item** (including carry case and usual accessories) to a condition substantially the same as, but not better or more extensive than, its condition when new up to a value of \$2,500 per item; or
- (d) pay **you** the cost of repairing or replacing the **unspecified item** to a condition substantially the same as, but not better or more extensive than, its condition when new up to a value of \$2,500 per item.

If **we** replace or pay the cost of replacing any **specified item** or **unspecified item**, **you** no longer have any cover for that item or the replacement item.

When the **loss** or **damage** is confined to a part or component of the **property insured**, **we** will only pay for, or replace or repair that part or component plus the cost of any necessary dismantling and reassembling up to the **insured amount** for a **specified item** shown on **your policy schedule** or up to a value of \$2,500 per item for an **unspecified item**.

The most we will pay

The most **we** will pay for a **specified item** is the **insured amount** shown on **your policy schedule**.

The most **we** will pay for any **unspecified item** is \$2,500. If an item is worth more than \$2,500 it must be recorded as a **specified item** otherwise **we** do not pay.

The most **we** will pay for any one individual **unspecified item** is \$2,500. If an item has a replacement value of more than \$2,500 it must be shown on **your policy schedule** as a **specified item** otherwise **we** will not pay more than \$2,500 for that item.

Excess

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

Definitions

These words have the following meanings and apply only to this Policy section. These defined terms prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording. **You** should also refer to the General definitions on pages 22 to 28.

Property insured

Specified items and/or **unspecified items**, as shown on **your policy schedule**.

Specified items

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

Unspecified items

Each item of property which is not a **specified item** but which is part of a group or class of property described generally in **your policy schedule**. The group or class described may include hand tools and hand held power tools.

Policy section 8 – Equipment breakdown

About this Policy section

This Policy section provides cover for the **breakdown** of **insured equipment** at **your premises** and any **loss** or **damage** to **property insured** directly caused by the **breakdown**.

You can claim for **loss** or **damage** as described under what 'What we cover' if:

- (a) 'Equipment Breakdown' is shown as insured on **your policy schedule**;
 - (b) the **loss** or **damage** occurs during the **period of insurance**.
 - (c) the **loss** or **damage** is not excluded under what 'What we exclude'; and
 - (d) the **loss** or **damage** is not excluded by any of the General exclusions listed on pages 20 to 22.
-

What we cover

If during the **period of insurance** a **breakdown** of **insured equipment** occurs at **your premises**, we will cover:

- (a) **loss** of, or **damage** to, **insured equipment** resulting from the **breakdown**; and
- (b) any **loss** of, or **damage** to, **property insured** directly caused by the **breakdown**.

What we exclude

We will not cover **you** for:

- (a) **loss** or **damage** to **air conditioners** unless **your policy schedule** shows that they are covered.
- (b) **loss** or **damage** caused by or arising out of:
 - (i) earthquake, landslide, mud flow, subsidence, subterranean fire, or volcanic eruption;
 - (ii) storm, hail, lightning, thunder, wind, rainwater;
 - (iii) the sea, including tidal wave, tsunami, storm surge or high water;
 - (iv) **flood**;
 - (v) fire, smoke or combustion explosion;
 - (vi) water, liquids or substances discharged or other means used to extinguish a fire;
 - (vii) escape of water or liquids resulting from a **breakdown**;
 - (viii) **aircraft** or other aerial devices or articles dropped from them or sonic boom;
 - (ix) riot, civil commotion or sabotage; or
 - (x) vandalism or malicious damage;
- (c) **losses from**:
 - (i) loss of use or consequential loss of any kind; or
 - (ii) any other indirect result of a **breakdown** except as may be provided in the Additional benefits of this Policy section;
- (d) **loss** or **damage** caused by or arising out of pollution, contamination or **damage** by a **hazardous substance**, however caused, except as provided for in Extra cover 1 – Hazardous substances;
- (e) **losses** caused by or resulting from the partial or total failure, malfunction or loss of use of any electronic

What we exclude (cont.)

equipment, computer system, information repository, microchip, integrated circuit or other similar device due to:

- (i) the erasure, destruction, corruption, misappropriation or misinterpretation of **data**;
- (ii) any error in creating, amending, entering, deleting or using **data**;
- (iii) the inability to receive, transmit or use **data**; or
- (iv) the impact of any **computer virus** or the functioning or malfunctioning of the internet, intranet, local area networks, virtual private networks or similar facility, or of any internet address, website or similar facility.

However, **we** will pay for **losses** that result solely from the **breakdown** of any other **insured equipment** which is covered by this Policy section.

(f) **breakdown, loss or damage:**

- (i) caused during the course of maintenance, inspection, repair, alteration, modification or overhaul;
- (ii) caused during installation, erection or relocation or dual lifting;
- (iii) arising out of plant being subject to tests involving abnormal stresses or arising out of plant being deliberately overloaded;
- (iv) caused by a deliberate act, neglect or omission on **your** part; or
- (v) for which the manufacturer, supplier or other parties are responsible under any maintenance or warranty agreement.

(g) **damage** to foundations, brickwork and refractory materials other than as a result of **breakdown**;

(h) the costs incurred in repairing wear and tear or gradual deterioration including:

- (i) wear and tear due to normal operation;
- (ii) wearing or wasting away of material caused by normal operation or resulting from atmospheric conditions, rust, erosion, or oxidation;
- (iii) damage to a safety or protective device caused by its own operation;
- (iv) the chipping or scratching of painted or polished surfaces; or
- (v) slowly developing deformation or distortion, unless required as part of repairing the **insured equipment** following a **breakdown**.

What we exclude (cont.)

- (i) the cost of:
 - (i) repair or replacement of **expendable items** other than **expendable items** which are necessary for the repair;
 - (ii) alterations, improvements or overhauls unless it is required for the repair or replacement;
 - (iii) modifying the **machinery** so that it operates with a more ozone friendly refrigerant gas;
 - (iv) carrying out of normal maintenance, such as the tightening of loose parts, recalibration or adjustments;
 - (v) alteration, additions, improvements or overhauls whether carried out in the course of indemnifiable repairs or as a separate operation;
 - (vi) modification or alteration of insured plant to enable replacement or repair, caused by gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation);
 - (vii) repair of scratches, chipping or discolouration to painted or polished surfaces, unless resulting from **damage** covered by this Policy section;
 - (viii) repair of a slowly developing deformation, distortion or fatigue of any part;
 - (ix) repair of blisters, laminations, flaws or grooving even when accompanied by leakage;
 - (x) repairs to valves, fittings, glands, joints, gaskets, pipes, lines and connections which are defective or leaking;
 - (xi) repairs to shaft keys requiring tightening, fitting or renewal;
 - (xii) damage caused by the movement of foundations, masonry or brick work unless this results from **breakdown** of any **insured equipment** or any part of the **insured equipment**; or
 - (xiii) removal or installation of underground pumps and well casings. Unless specifically noted on **your policy schedule**, this exclusion does not apply to submersible pumps.
 - (j) **breakdown** of any **insured equipment** which:
 - (i) **you** knew or reasonably should have known to be defective before the **breakdown** occurred; or
 - (ii) is useless or obsolete to **your business**.
-

Extra covers

The nature and extent of cover under the Extra covers of this Policy section will depend on whether **you** have nominated an **insured amount** which states:

- (a) a dollar figure; or
- (b) 'Repair and Replacement'.

If a dollar figure is shown on **your policy schedule**, and **we** agree to pay a claim for **loss** or **damage** as a result of **breakdown** covered by this Policy section, **we** will also pay or provide the Extra covers set out below. Any amounts payable under these Extra Covers 1 and 4 will be included in the **insured amount**.

If 'Repair and Replacement' is shown on **your policy schedule** and **we** agree to pay a claim for **loss** or **damage** as a result of a **breakdown** covered by this Policy Section, **we** will also pay or provide the Extra covers set out below. Any amounts payable under these Extra Covers will be in addition to the repair and replacement amount paid under the insuring clause.

1. Hazardous substances

What we cover	What we exclude
<p>If a hazardous substance is involved in or released by a breakdown of insured equipment, we cover you for the increase in cost to repair, replace, clean up or dispose of affected property insured.</p> <p>The most we will pay for any one breakdown under this Extra cover is \$25,000.</p> <p>Any cover given under this Extra cover shall not accumulate with any similar cover that may be given under Extra cover 4 – Reinstatement and Extra cover 4 - Removal of debris and temporary repairs of Policy section 1- Property damage.</p>	

2. Expediting expenses

What we cover	What we exclude
<p>We will pay for the reasonable extra cost, including overtime work and express or rapid means of transportation, necessary to:</p> <ul style="list-style-type: none">(a) make temporary repairs;(b) expedite permanent repairs; or(c) expedite permanent replacement, <p>of the insured equipment which was damaged.</p> <p>The most we will pay for these expediting expenses in total for each breakdown is \$25,000. This sub-limit is in addition to the insured amount for breakdown of insured equipment.</p>	<p>We will not pay those costs related to substitute equipment or other property installed to replace the function of the damaged insured equipment on a temporary basis.</p> <p>We will not cover any claims under this Extra Cover 2 - Expediting Expenses if we have provided cover under Extra Cover 3 - Temporary hire costs of this Policy Section.</p>

3. Temporary hire costs

What we cover	What we exclude
<p>We will pay the reasonable costs of hiring temporary property to replace the lost or damaged insured equipment, necessary to keep the business operating as nearly as practical as before the breakdown.</p>	<p>We will not cover any claims under this Extra Cover 3 - Temporary hire costs if we have provided cover under Extra Cover 2 - Expediting expenses of this Policy Section.</p>

What we cover (cont.)

The most **we** will pay under this Extra cover for any one **breakdown** is:

- (a) 50% of the normal cost to repair or replace the **damaged insured equipment** and other **property insured** which was **damaged**; or
 - (b) \$25,000,
- whichever is less.
-

4. Reinstatement

What we cover

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

Additional benefit

We will also provide the following Additional benefit in this Policy Section subject to the General exclusions and all the terms, conditions, limits, exclusions and any **endorsement** except as provided otherwise.

Any amount payable under the Additional benefit does not apply in addition to the **insured amount** shown on **your policy schedule** for this Policy section.

1. Laptop computers, notebooks or mobile electronic equipment away from premises

What we cover

We cover **breakdown** of **your** laptop **computer equipment** or mobile **electronic equipment** anywhere in Australia if the laptop **computer equipment** or mobile **electronic equipment** is shown on **your policy schedule** under Policy section 8 - Portable and valuable items as a 'Specified Item'.

Optional insurance

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

Any amounts payable under this Optional insurance are in addition to the **insured amount**.

1. Deterioration of stock

What we cover

We will cover **you** for the **loss** or **deterioration** of **refrigerated stock** occurring during the **period of insurance** at **your premises** caused by one or more of the following:

- (a) A change in temperature of the **insured equipment** as a result of:
 - (i) **breakdown** of the **insured equipment** in which the **refrigerated stock** is kept where **we** have agreed to pay a claim for **loss** of, or

What we exclude

We do not cover:

- (a) any consequential loss;
- (b) **loss** or **deterioration** resulting from any scheme or rationing which is not necessitated solely by damage to the generating or supply equipment of a supply authority;
- (c) **loss** or **deterioration** caused by disease, improper storage, damaged packaging material or inadequate ventilation or air circulation;

What we cover (cont.)	What we exclude (cont.)
<p>damage to, the insured equipment under this Policy section; or</p> <p>(i) the operation, malfunction or failure of any switch, thermostat, controls, fuses, circuit breakers or protection devices of the insured equipment, however not including loss or deterioration due to the manual operation or setting of any of these;</p> <p>(ii) accidental failure of supply services which directly affects the insured equipment;</p> <p>(iii) 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</p> <p>(iv) sudden leakage of refrigerant from the insured equipment.</p> <p>(b) Contamination of the refrigerated stock by leakage of refrigerant from the insured equipment.</p>	<p>(d) loss or deterioration of refrigerated stock that is alive or of a bacterial nature;</p> <p>(e) loss or deterioration of refrigerated stock stored in mobile machinery or a boiler and pressure plant;</p> <p>(f) loss or deterioration of refrigerated stock which has exceeded its use by date, however we will pay for the disposal costs of such refrigerated stock; or</p> <p>(g) loss or deterioration occurring while the refrigerated stock is in transit or is situated in any vehicle.</p>

2. Restoration of computer data

What we cover	What we exclude
<p>We will cover you for the costs of restoring data stored on media if:</p> <p>(a) we have agreed to pay a claim under this Policy section for loss or damage as a result of breakdown to insured equipment;</p> <p>(b) the data is lost, damaged or distorted during the period of insurance as a direct result of the breakdown; and</p> <p>(c) the media which contains the data is:</p> <p>(i) at the premises;</p> <p>(ii) at a location away from the premises where copies of media are stored;</p> <p>(iii) temporarily at any alternative location for processing purposes; or</p> <p>(iv) in transit between any of the locations listed in i. to iii. above.</p>	<p>We do not cover:</p> <p>(a) any consequential loss;</p> <p>(b) loss or distortion of data due to defects in the media;</p> <p>(c) restoration of data other than that which is:</p> <p>(i) lost or distorted after the most recent functional back-up; or</p> <p>(ii) created more than five working days before the loss or damage occurred, whichever is the shorter period.</p> <p>(d) expenses or costs incurred in connection with the loss or distortion of data if they are not incurred within 12 months of the breakdown;</p> <p>(e) loss or damage of, or distortion to, data caused by a computer virus;</p> <p>(f) loss or damage of, or distortion to, data caused by or resulting from the partial or total failure, malfunction or loss of use of any electronic equipment, computer equipment, information, repository, microchip, integrated circuit or other similar device due to:</p> <p>(i) the erasure, destruction, corruption, misappropriation or misinterpretation of data;</p>

What we exclude (cont.)

- (ii) any error in creating, amending, entering, deleting or using **data**;
 - (iii) the inability to receive, transmit or use **data**; or
 - (iv) the functioning or malfunctioning of the internet, intranet, local area networks, virtual private networks or similar facility, or any internet address, website or similar facility,
- except to the extent that such **loss, damage** or distortion results solely from the **breakdown** of **insured equipment** covered by this Policy section.
-

3. Increased cost of working

What we cover

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

- (a) **we** have agreed to pay a claim under this Policy section for **loss** or **damage** as a result of **breakdown** of **insured equipment**;
- (b) the increased costs of operating **your business** occur during the **period of insurance** and are a direct result of the **breakdown**; and
- (c) **we** agree in advance to pay the increased costs of operating **your business**.

What we exclude

We do not cover:

- (a) any consequential loss;
 - (b) costs incurred in respect of the first two working days following **breakdown** of **your computer equipment**;
 - (c) 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;
 - (d) any increased costs that are not necessary or reasonable to minimise any interruption to the **business**; or
 - (e) costs incurred after 90 days from the date of **loss** or **damage**;
 - (f) expenses that are incurred in the replacement of the **media**; or
 - (g) the cost of reinstating the **data** contained on the **media**.
-

What we pay

The most **we** will pay for any one **breakdown** which gives rise to **loss** or **damage** covered under this Policy section is the **insured amount** shown on **your policy schedule**.

Repair and replacement

Where **your policy schedule** shows 'Repair and Replacement', the most **we** will pay under this Policy section is determined by the **insured amount** shown in **your policy schedule** for Policy section 1 - Property damage.

The most **we** will pay for any claim or series of claims caused by or arising out of a **breakdown** which gives rise to **loss** or **damage** covered under this Policy section is:

- (a) if **you** own the **building(s)** at the **premises** – the **insured amount** for **building(s)** shown on **your policy schedule** for Policy section 1 - Property damage; or
- (b) if **you** do not own the **building(s)** at the premises – the total of the 'Contents' **insured amount** and 'Specified items' **insured amount** shown on **your policy schedule** for Policy Section 1 - Property damage.

Specified amount

Where **your policy schedule** shows a dollar figure as the **insured amount**, in the event of a claim for **loss** or **damage** covered under this Policy section **we** will pay with respect to:

- (a) **media** – the cost of replacing the **media** with blank material;
- (b) exposed film, records, manuscripts and drawings – the cost of replacement with blank material plus the cost of transcription; and
- (c) all other **insured equipment** and other **property insured** – the lesser of the cost at the time of the **breakdown** to:
 - (i) repair the **damaged** property; or
 - (ii) replace the **damaged** property with similar property of like kind, capacity, size, quality and function;
- (d) joints, gaskets, seams, drivebelts, filters, chains, brickwork, foundation or refractories, seals, shaft seals, flexible drives or flexible pipes, soft rollers, refrigerant, brine or other transfer media which are necessary for the repair – the reasonable costs of replacing those items.

However, **we** will not pay:

- (a) any cost of repairing or replacing any part or parts of a piece of **insured equipment** which is greater than the cost of repairing or replacing the entire piece of **insured equipment**;
- (b) more than the cost to replace the **insured equipment** or **property insured** with equipment or property of like kind, capacity, size, quality and function;
- (c) more than the cost to replace the **insured equipment** or **property insured** at the **premises** or adjacent site; or
- (d) for **breakdown, loss** or **damage** to **insured equipment** or **property insured** which is useless or obsolete to **your business**.

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 manufacturer's or supplier's latest list price.

If the **damaged property insured** or **insured equipment** is not repaired or replaced within 12 months after the date of the **breakdown**, **we** will pay **you** the **actual cash value** of the **damaged property insured** or **insured equipment** at the time of the **breakdown**.

Depreciation applied for replacement of computers

If **we** decide to pay **you** the cost to replace a laptop computer, notebook or desktop computer rather than repair it, **we** will apply depreciation based on the age of the computer, but not as a result of improvements in technology or functionality.

We will apply depreciation at the rate of 10% per annum for each year from the date of manufacture, subject to a maximum reduction of 80% of the installed current replacement cost.

Optional insurance 1 – Deterioration of stock

If **we** agree to pay a claim under Optional insurance 1 – Deterioration of stock, **we** will at **our** option, pay the cost of replacing the **refrigerated stock** or replace that **refrigerated stock**.

We are not liable to pay more than the purchase price **you** paid for the **refrigerated stock**, together with any handling costs **you** incurred.

If **deterioration** occurs or is likely to occur to **refrigerated stock** by any of the **events** covered under this Policy section, **we** will also pay the reasonable costs incurred by **you** to prevent or minimise the **loss** of, or **damage** to, **refrigerated stock**.

Where **we** pay a claim or agree to pay a claim, **we** will also pay any reasonable costs incurred and associated with the removal and disposal of the **deteriorated refrigerated stock**. This additional cover will be subject to **our** prior approval and to the 'Deterioration of Stock' **insured amount** not already being exhausted.

The most **we** will pay is the **insured amount** for 'Deterioration of Stock' shown on **your policy schedule**.

Optional insurance 2 – Restoration of computer data

If **we** agree to pay a claim under Optional insurance 2 – Restoration of computer data, **we** will pay the reasonable costs incurred in restoring the **lost, damaged** or distorted **data** to a condition equivalent to that existing prior to the **breakdown**. **Data** may be reproduced in an updated form if the cost of doing so is no greater than that of reinstatement in its original form.

We will not pay more than the **insured amount** for 'Restoration of Data' shown on **your policy schedule**.

Optional insurance 3 – Increased cost of working

If **we** agree to pay a claim under Optional insurance 3 – Increased cost of working, **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 the **insured amount** for 'Increased Cost of Working' shown on **your policy schedule** for this Policy section.

Excess

The **excess** that applies to any one claim under this Policy section is the 'Equipment Breakdown' **excess** shown on **your policy schedule**.

If a claim is made under the insuring clause and under an Optional insurance which arises from the same **event**, only the 'Equipment Breakdown' **excess** applies.

Where the claim is only made under Optional insurance 1 – Deterioration of stock, **you** must pay the 'Deterioration of Stock' **excess** shown on **your policy schedule**.

Policy section conditions

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

1. Adherence to statutory requirements

If **insured equipment** is required to be licensed under statutory obligations, by-laws, regulations, public authority requirements or safety requirements, **you** must obtain any licences as required and use the **insured equipment** as specified in the licence.

2. Inspection

We or **our** authorised representatives have the right to make inspections of **insured equipment** at any reasonable time. Neither this right to make inspections nor making them is an undertaking to **you** or others that the **insured equipment** is safe and not hazardous or injurious to health.

3. Obligation to prevent loss

If **we** or **our** authorised representatives discover **insured equipment** in or exposed to a dangerous condition, **you** must comply with any direction provided by **us** or **our** representatives to prevent **loss**. If **you** do not comply within 30 days of receiving the direction, **we** may refuse to pay a claim and cancel **your policy**.

4. One breakdown

If either:

- (a) a **breakdown** of **insured equipment** causes the **breakdown** of other **insured equipment**; or
- (b) a series of **breakdowns** occur at the same time as a result of the same cause,

they will all be considered as one **breakdown** for the purpose of applying the **excess**, the 'Equipment Breakdown' **insured amount** and any other limit or sub-limit in this Policy section.

5. Resumption of business

As soon as possible after the **breakdown**, **you** shall continue or resume business, in whole or in part, and make up lost business through the use of every available means, including alternative premises, surplus machinery, spare parts, equipment, supplies and surplus or reserve stock, which may be owned or controlled by **you** or obtainable by **you** from other sources and through working extra time or overtime at the **premises** acquired for the purpose of making up lost business.

Definitions

These words have the following meanings and apply only to this Policy section. These defined terms prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording. **You** should also refer to the General definitions on pages 22 to 28.

Actual cash value

The cost of replacing **damaged property insured** or **insured property** with property of similar kind, capacity, size, quality and function less depreciation for the age, condition, and normal life expectancy of the property.

Boilers and pressure plant

Means:

- (a) those parts of the permanent structure of a boiler or pressure equipment owned by **you**, or for which **you** are legally responsible, which are normally subject to vacuum or internal pressure (other than atmospheric pressure or static pressure of contents) including:
 - (i) fittings and direct attachments which are connected to the permanent structure without intervening valve or cock;
 - (ii) supporting structures of the boiler or pressure equipment (other than foundations, masonry, brickwork, refractory and insulating material) such as furnace doors, access doors, external combustion chambers, smoke boxes and casings; and
 - (iii) metal parts of pressure and water gauges and their connections to the permanent structure, even if separated from the structure by valve or cocks.
- (b) any pressure pipe system, associated with boiler and pressure equipment, with valves, fittings, traps and separators which contains steam condensate, gas or fluids under pressure (other than atmospheric pressure), including any feed water piping between boiler and its feed pump or injector.
- (c) in respect of refrigeration and air-conditioning systems shown on **your policy schedule**, the interconnecting heat exchangers, coils and pipework containing transfer media.

However boilers and pressure plant does not include any pipe system which forms part of any other vessel or apparatus, or any mechanical, hydraulic or electrical machine, or electrical apparatus, **computer equipment** or **electrical equipment**.

Breakdown

Any sudden, unforeseen and accidental failure of, or damage to, an item of **insured equipment** or part thereof, resulting in physical damage to the item of **insured equipment** which requires the repair or replacement of all or part of the **insured equipment** before normal operation of it can be resumed and may include, but is not limited to the actual breaking, seizing, deformation or burning out sufficient to prevent the item undertaking its normal operation and necessitating repair or replacement.

However, breakdown does not mean:

- (a) depletion, deterioration, corrosion or erosion of material or the need to clean any component;
- (b) wear and tear;
- (c) leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
- (d) vibration or misalignment;
- (e) the functioning of any safety device or protective device;
- (f) the failure of any structure, foundation or setting supporting the **insured equipment** or a part of the **insured equipment**; or
- (g) the cracking of any part of a gas turbine exposed to the products of combustion.

Computer equipment

Electronic **data** processing equipment comprising a central processing unit with flexible programming ability, video display units, printers, cartridges, hard disk, disk drives (CD, DVD or other), micro diskettes including read or writer heads, electro or mechanical motors and passive components, but does not include software.

Deteriorated / Deterioration

The adverse change in physical condition or characteristics of **refrigerated stock**, so that it is no longer able to be used for its original intended purpose.

Domestic type hot water system

Any heating or hot water system used for domestic purposes not exceeding 500 litres and normally operating at a temperature not exceeding 99 degrees Celsius.

Electronic equipment

Means any equipment used for:

- (a) the generation, control, transmission, reception, recording, reproduction, playback or other use of television, radio or telephone signals;
- (b) research, diagnostic, treatment, experimental or other medical or scientific purposes;
- (c) computing, data processing, duplicating, inventory control, monitoring, surveillance, audio visual amplification, lighting, scanning, point of sale or office services; or
- (d) starting, stopping, controlling or monitoring one or more items of **insured equipment**.

Expendable items

Means:

- (a) electrical and electronic glass bulbs, tubes, x-ray tubes, contacts, fuses and heating elements; or
- (b) tracks, rails, wear plates, cutting edges, tools, dies, engraved cylinders, moulds, patterns, shear pins, filters, chains, belts, tyres, tracks or conveyor belts and any other part or parts which require periodic replacement.

Hazardous substance

Means:

- (a) any **pollutant**, contaminant or other substance declared by a government authority to be hazardous to health or the environment; or
- (b) any mould, yeast, **fungus** or mildew including any spores or toxins created or produced by or emanating from such mould, yeast, **fungus** or mildew, whether or not allergic, pathogenic or toxigenic.

Insured equipment

Any of the following provided it is owned, leased, operated or controlled by **you**, or for which **you** are legally responsible:

- (a) **boiler and pressure plant**;
- (b) **computer** equipment;
- (c) **electronic equipment**; or
- (d) **machinery**.

However, insured equipment does not include:

- (a) any **vehicle, watercraft** or **aircraft**;
- (b) any **domestic type hot water system**; or
- (c) any elevator, escalator, crane, hoist or conveyor.

Machinery

Any mechanical, hydraulic or electrical machine or electrical apparatus used for the generation, transmission, control, transformation or utilisation of mechanical, hydraulic or electrical power. It includes **air conditioners** only if they are shown on **your policy schedule**.

Machinery does not include **computer equipment** or **electronic equipment**.

Property Insured

Means:

- (a) **your** property; or
- (b) property not belonging to **you** but in **your** care, custody or control and for which **you** are legally liable.

Refrigerated stock

Refrigerated goods owned by **you** or for which **you** are legally responsible while contained within any storage which is cooled by **insured equipment**. It includes items such as food stuffs and their packaging that are subject to decay, rot, ruin or spoilage.

Policy section 9 – Tax Probe

About this Policy section

This Policy section provides cover for **professional fees** (such as accountant's fees) incurred by **you** in connection with a **tax audit** of a **return** by the Australian Taxation Office, or by a Commonwealth, State or Territory department, body or agency.

You can claim for **professional fees** as described under what 'What we cover' if:

- 'Tax Probe' is shown as insured on **your policy schedule**;
- the **tax audit** was commenced and is notified to **us** during the **period of insurance**;
- the claim is not excluded under what "What we exclude"; and
- the claim is not excluded under the General exclusions listed on pages 20 to 22.

What we cover

We cover **professional fees** reasonably and necessarily incurred by **you** in connection with a **tax audit** by an **authority**, which is commenced and notified to **us** during the **period of insurance**.

The type and extent of cover under this Policy section will depend on whether **you** select:

- (a) Business Audit Only – with Investigation Cover (which excludes Extra cover 2 – Directors' personal tax returns); or
- (b) Business AND Directors Audit – with Investigation Cover (which includes Extra cover 2 – Directors' personal tax returns); or
- (c) Individual Cover (which provides cover for **insureds** who are not companies but excludes Extra cover 2 – Directors' personal tax returns).

What we exclude

1. Returns not prepared by a tax agent

Any **professional fees** relating to, arising from or in connection with any income **return** that has not been prepared or reviewed prior to dispatch by **your tax agent**. However, this exclusion does not apply to any **return** for:

- (a) prescribed sales tax;
- (b) income derived from:
 - (i) any payment under a contract of employment of service between **you** and any other person, company or entity, other than when that payment is paid by a company for which **you** are a director or have a controlling interest;
 - (ii) any payment from superannuation, pension or their retirement benefit; or
 - (iii) personal investments that **you** are not wholly or mainly dependent on.

2. Representations, errors in information and improper conduct

Any **professional fees** relating to, arising from or in connection with:

- (a) **you** or **your tax agent** making a statement to the **authority** that is false or misleading except that this exclusion will not apply where a false or misleading statement results from **you** being misled by the **authority** or where **you** did not and could not be expected to know that a statement was false or misleading;
- (b) any fraudulent act or fraudulent omission or statement made to an **authority** arising from any act committed deliberately or with **your** wilful intent;
- (c) an **authority**, or its authorised representative, having assessed **your** behaviour as being a case of deliberate evasion or recklessness;

What we exclude (cont.)

- (d) any **return** lodged or submitted dishonestly or fraudulently where the supporting documents have been falsely created or collected; or
- (e) any error or deficiency with information already provided to the relevant **authority** which **you** do not notify to the relevant **authority** within 30 days of **you** discovering the error or deficiency with the information.

3. Delay

Any **professional fees** relating to, arising from or in connection with:

- (a) a **tax audit** which is commenced due to **your** failure to lodge a taxation or any other **return** within the time limit prescribed by law or within the extended time granted by an **authority**;
- (b) a **tax audit** which is commenced due to **your** failure to pay all taxes by the due date or within any extension of time granted by the **authority**; or
- (c) **your** failure to respond to the **authority** within the time it has specified for **you** to give **your** response.

4. Imposition of penalties

The imposition of or the seeking to impose any tax, penalty tax, costs, interest, fine or penalty by any **authority**, court or tribunal.

5. Shortfall tax audits

Any **professional fees** relating to, arising from or in connection with a **tax audit** where an **authority** imposes or seeks to impose a penalty due to any **shortfall amount**, or part of that amount, resulting from:

- (a) intentional disregard of a **designated tax** by **you** or **your tax agent**; or
- (b) recklessness by **you** or **your tax agent** as to the operation of a **designated tax**.

6. Subrogation agreements

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

7. Territorial limitations

- (a) Any tax **return**:
 - (i) prepared by a person who ordinarily resides outside Australia and its external territories; or
 - (ii) for a company, firm or entity which operates outside Australia and its external territories.
- (b) Any **professional fees** that are:
 - (i) associated with any **return** lodged outside Australia and its external territories; or

What we exclude (cont.)

- (ii) in respect of any person or organisation ordinarily resident outside Australia and its external territories.

8. Prior tax audits

Any claim arising from or in connection with any **tax audit** for which verbal or written notice or information was received by **you** or **your tax agent** before the inception of this Policy section.

9. Unjustified refusal or failure to comply

Any claim or claims caused by or arising from any improper, unwarranted or unjustified refusal or failure to comply with any lawful request made by the **authority**.

10. Professional fees after completion of tax audit

Any **professional fees** incurred after the **tax audit** has been completed.

11. Other matters

- (a) Any **professional fees** relating to, arising from or in connection with:
 - (i) any criminal prosecution;
 - (ii) any **tax audit** relating to customs legislation;
 - (iii) any **tax audit** conducted by the Australian Prudential Regulation Authority; or
 - (iv) any **tax audit** that includes a refund or claim for tax or duty relief arising out of an arrangement, facility, financial structure or the like adopted for the principal purpose of obtaining that refund or relief, unless the arrangement has received prior written approval from the relevant government or government authority or agency before being offered to **you** or the general public.
- (b) Any claim or claims caused by, arising from or in connection with:
 - (i) amounts sought by any amended notice of assessment, additional tax, duty government impost or the like;
 - (ii) costs to pursue or defend any legal actions against **you** or initiated by **you** (unless it is agreed to by **us**);
 - (iii) 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**;
 - (iv) any routine enquiries, or enquiries from a **tax agent** which are not identified as being either preliminary to, or relating to a **tax audit** of a **return**; or

What we exclude (cont.)

- (v) any form of activity involving a periodic review, routine inquiry or compliance review relevant to **you** maintaining industry status, licence, compliance, membership, any form of occupational health and safety compliance or similar requirements.
-

Extra covers

If **we** agree to pay a claim for **professional fees** under this Policy section, **we** will also pay or provide the following Extra covers.

1. Reinstatement of insured amount

What we cover

If **we** pay an amount for a claim under this Policy section, **we** will automatically reinstate the **insured amount** under the Policy section. **You** will not have to pay any additional premium.

2. Directors' personal tax returns

What we cover

If **your policy schedule** shows that **you** have selected 'Business and Directors Audit – with Investigation Cover' and **you** are a company and the directors work full time in the **business**, **we** will cover the **professional fees** reasonably and necessarily incurred by each director in connection with a **tax audit** by an **authority** of the director's personal income tax returns that are lodged with that **authority** which is commenced and notified to **us** during the **period of insurance**.

This Extra cover only provides cover for a **tax audit** of a director's personal income tax return that was prepared by the same **tax agent** who prepared the income tax return for the **business** in that same year.

The amounts payable under this Extra cover are included in, and do not apply in addition to, the 'Business and Directors Audit - with Investigation Cover' **insured amount**.

This Extra cover will not apply if **your policy schedule** shows that **you** have selected 'Business Audit Only – with Investigation Cover' or 'Individual Cover'.

3. Travel and accommodation expenses

What we cover

We will reimburse **you** for travel and accommodation expenses incurred by **you** or **your employees** if they are reasonably and necessarily incurred to substantiate a claim under this Policy section.

Policy section conditions

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

1. Commencement and completion of a tax audit

A **tax audit** commences at the time **you** or **your tax agent** first receives notice (verbal or written) of an audit, inquiry, investigation, examination or review.

A **tax audit** is complete when:

- (a) the officer authorised by the **authority** has given written notice to that effect;
- (b) the officer authorised by the **authority** notifies **us** in writing of its decision in connection with **your returns** including any written statement which is intended by such officer to be its findings in connection with a **return** or the basis upon which it proposes to act in connection with a **return**;
- (c) when the officer authorised by the **authority** has issued an assessment or amended assessment of **your returns**; or
- (d) in the absence of subparagraphs a., b. or c. where **your tax agent** declares in writing that such a **tax audit** has been concluded.

2. Authority matters

You must:

- (a) submit all taxation and other **returns** within the time limits prescribed by all relevant legislation or regulations or as requested by or on behalf of the relevant **authority** or within the extensions of time granted by the relevant **authority**;
- (b) make full and complete disclosure of all assessable income (including capital gains), as required by any relevant legislation or regulation, and **you** must take reasonable care to not omit from any such disclosure any matter or thing without which the disclosure is misleading or likely to mislead any person or **authority** who relies on that disclosure;
- (c) be registered for GST purposes, if required by legislation or regulations; and
- (d) ensure all correspondence, requests or inquiries from an **authority** are dealt with within the required time and where there is no required time, a reasonable time.

3. Claims

For any claim:

- (a) **you** must notify **us** within 30 days of **you** first becoming aware of the first notice of a **tax audit**;
- (b) **you** must keep **us** informed of all developments as they occur;
- (c) **you** must take all necessary and reasonable steps to minimise any delays and costs incurred or likely to be incurred;
- (d) **we** have the right to directly access **your tax agent** and lawyers and any documented advice they have given **you** relevant to the **tax audit**;
- (e) **you** must ensure **your tax agent** will assist **us** with any matter **we** may pursue with the **authority**; and
- (f) **you** must submit to **us** all accounts for **professional fees** that relate to **your** claim upon completion of the **tax audit**.

What we pay

Subject to Extra cover 1 - Reinstatement, if **your policy schedule** shows the cover **you** have selected is:

- (a) Business Audit Only – with Investigation Cover, then the most **we** will pay for a **tax audit** commenced during the **period of insurance** is the **insured amount** shown on **your policy schedule**; or
- (b) Business AND Directors Audit – with Investigation Cover, the most **we** will pay for a **tax audit** commenced during the **period of insurance** relating to:
 - (i) the **policyholder** named in **your policy schedule** or any company, firm, partnership or trust in which the **policyholder** named in **your policy schedule** holds 50% or more ownership, interest or shareholding; and

- (ii) each director named in **your policy schedule**,
is the **insured amount** shown on **your policy schedule**; or
- (c) Individual Cover, the most **we** will pay for a **tax audit** commenced during the **period of insurance** relating to all individuals named in **your policy schedule** as **policyholders** is the **insured amount** shown on **your policy schedule**.

When we pay

We will pay the **professional fees** reasonably and necessarily incurred by **you** in connection with assisting **you** to respond to an official **tax audit** by an **authority** where:

- (a) **your** claim is covered under what 'What we cover' of this Policy section;
- (b) **your** claim is not excluded under what 'What we exclude' of this Policy section;
- (c) **your** claim is not excluded under the General exclusions on pages 20 to 22; and
- (d) the **tax audit** has been completed (as defined in Policy section condition 1 above).

Excess

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

Definitions

These words have the following meanings and apply only to this Policy section. These defined terms prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording. **You** should also refer to the General definitions on pages 22 to 28.

Authority

Means:

- (a) the Australian Taxation Office;
- (b) a revenue office of an Australian State or Territory; or
- (c) a Commonwealth, State or Territory government department, body or agency, duly authorised to conduct a **tax audit**.

Designated tax

Any tax assessable in accordance with the provisions, as amended, of the:

- (a) Income Tax Assessment Act 1936 (Cth);
- (b) Income Tax Assessment Act 1997 (Cth);
- (c) Fringe Benefits Tax Assessment Act 1986 (Cth);
- (d) A New Tax System (Goods and Services Tax) Act 1999 (Cth);
- (e) Superannuation Guarantee (Administration) Act 1992 (Cth);
- (f) Termination Payments Tax (Assessment and Collection Act) 1997 (Cth); or
- (g) any law of an Australian State or Territory relating to payroll tax.

Policyholder

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

Professional fees

Fees, costs and disbursements payable to a **tax agent** or professional person (other than **you** or **your employee**) in connection with a **tax audit** by an **authority**.

Professional fees does not mean any fees, costs or disbursements:

- (a) charged by a tax agent for administrative purposes;

- (b) that relate to any subsequent objection lodged with an **authority** in respect of a **tax audit**;
- (c) that relate to, or are associated with the preparation of any accounts, financial statements or documents which would or should have been ordinarily or prudently prepared prior to or at the time that the lodgement of any **return** or documents was required to be lodged;
- (d) incurred after the **tax audit** has been completed; or
- (e) incurred 12 months or more after the commencement date of a **tax audit** other than when **you** can demonstrate to **our** satisfaction that the delay in completing the **tax audit** was caused primarily by the **authority**.

Return

Any return legally required to be, and that is actually lodged with, an Australian Commonwealth, State or Territory government department, body or agency by **you** or on **your** behalf.

Shortfall amount

A shortfall amount arises in the following situations:

- (a) **your** tax related liability, worked out on the basis of **your** disclosure or statement, is less than it would be if the disclosure or statement:
 - (i) was not false or misleading; or
 - (ii) did not treat a **designated tax** as applying in a way that was not reasonably arguable;
- (b) an amount the **authority** must pay or credit to **you** under a **designated tax**, worked out on the basis of **your** disclosure or statement, is more than it would be if the disclosure or statement:
 - (i) was not false or misleading; or
 - (ii) did not treat a **designated tax** as applying in a way that was not reasonably arguable.

Tax agent

Any person who is recognised by the **authority** as a registered **tax agent**, as appropriate to the type of **designated tax**, who prepares **returns** or statements required by that **authority** in respect of **your** liability to pay a **designated tax**, including supervision of the preparation of, and review prior to dispatch of, those **returns** or statements.

Tax agent does not mean **you** or a person working for **you** under a contract of employment.

Tax audit

Means:

- (a) the audit by an **authority** of a **return** in respect of **your** liability to pay any **designated tax** (including the amount of tax payable or refundable) following lodgement of a **return** for that **designated tax**;
- (b) any official inquiry, investigation, examination or review undertaken by an **authority** in respect of **your** liability to pay any **designated tax** (including the amount of tax payable) following lodgement of a **return** for that **designated tax**;
- (c) a workers' compensation wage audit or investigation by an **authority** in respect of **your** liability to pay a workers' compensation premium; or
- (d) the audit by an authority of a director's personal income tax return only to the extent that Extra cover 2 – Directors' personal tax returns applies.

If an official inquiry, investigation, examination or review referred to in paragraph b. above escalates or results in an audit as referred to in paragraph a. above, then this would be viewed as one **tax audit** for the purposes of this Policy section.

You / Your / Yours

Includes:

- (a) the **policyholder**;
- (b) any company, firm, partnership or trust in which **you** hold a 50% or more ownership, interest or shareholding; and
- (c) any director but only to the extent that Extra cover 2 – Directors' personal tax returns applies.

Policy Section 10 – Commercial Motor

Your cover

About this Policy section

This Policy Section covers **your vehicles**.

Cover options

There are three (3) different types of cover for **your vehicles**. Not all types of cover are available for all types of **vehicles**. The cover **you** have chosen will be displayed next to each **vehicle** in **your policy schedule** and is detailed below.

Cover option	Description of cover provided
Comprehensive	Part 1, 'Loss or Damage to your vehicle' applies to provide cover for theft, loss of, or damage to, your vehicle caused by an event ; Part 2, Third Party Legal Liability applies.
Legal liability, fire and theft	Part 1, 'Loss or Damage to your vehicle' applies to provide cover for theft, loss of, or damage to, your vehicle caused by insured events fire, explosion, lightning, theft or attempted theft only; Part 2, Third Party Legal Liability applies
Legal liability only	Part 1, 'Loss or Damage to your vehicle', does not apply; Part 2, Third Party Legal Liability applies

What **we** cover is described in the 'What we cover' sections in the following pages. What **we** do not cover is described in the 'What we exclude' sections in the following pages, this **policy** section exclusions on page 195 to 197 the General Exclusions on pages 20 to 22 of this **PDS** and in any **endorsements** that apply to this **policy** section.

You can ask **us** at any time to change the cover option for any **vehicle** and if **we** agree, there may be an additional premium or a refund of premium.

Cover for additional vehicles

An additional **vehicle** is a **vehicle** that **you** acquire, purchase or lease (but not hire or borrow) during the **period of insurance**.

We automatically provide cover for any additional **vehicle** during the **period of insurance** provided **you** tell **us** about the additional **vehicle** within 30 days of acquiring, purchasing or leasing it and pay any extra premium **we** request. If **we** are unable to continue covering the additional **vehicle**, **we** will tell **you** and give **you** 5 working days from the date **we** tell **you** so that **you** can organise to insure the **vehicle** elsewhere. Cover for the additional **vehicle** will then end at 4:00pm 5 days after **we** have told **you** **we** are unable to continue covering the additional **vehicle**.

If **you** have only one type of cover option for **your vehicle(s)**, **we** will automatically provide that cover option for any additional **vehicle** during the **period of insurance** (unless **you** tell **us** **you** want another cover option).

If **you** have **vehicles** insured with **us** for more than one type of cover option, **we** will automatically provide the cover option with the better cover for an additional **vehicle** during the **period of insurance** (unless **you** tell **us** **you** want another cover option).

The most **we** will pay for **loss** or **damage** to an additional **vehicle** is:

- the **market value** of the additional **vehicle** determined at the time of **loss** or **damage** to the additional **vehicle**; or
- \$150,000 (or such other amount specified in **your policy schedule** for additional **vehicles**), whichever is less.

The most **we** will pay for legal liability arising from the use of an additional **vehicle** is the relevant amount stated in Part 2 of this **policy** section.

Once **you** have told **us** about the additional **vehicle** and **we** have agreed to continue to cover the additional **vehicle** as a '**vehicle**' under this **policy** section it is no longer covered as an additional **vehicle** and will be covered as a **vehicle**.

Cover for two-wheel or box trailers

Additional Benefit 1 – 'Two-wheel or box trailers' provides cover of up to a limit of \$1,000 for **loss** or **damage** to **your** two-wheel or box trailer caused by an **event** during the **period of insurance**. **You** can ask **us** to insure **your** two-wheel or box trailer for more than \$1,000 under **your policy**. If **we** agree, **you** may be required to pay an additional premium.

Part 1 – Loss or damage to your vehicle

You can claim for **loss** of, or **damage** to, **your vehicle** as described under 'What we cover'; if:

- **Your vehicle** is insured for "Comprehensive Cover" or "Legal Liability, Fire and Theft Cover";
- The **event** which causes the **loss** or **damage** happens during the **period of insurance**;
- The **loss** or **damage** occurs within Australia or its external territories;
- The **loss** or **damage** is not excluded by anything under 'What we exclude';
- The **loss** or **damage** is not excluded by this **Policy** section exclusions on pages 195 to 197;
- The **loss** or **damage** is not excluded by the General Exclusions on pages 20 to 22; and
- The **loss** or **damage** is not excluded by any **endorsement**.

What we cover

When "Comprehensive cover" is specified on **your policy schedule**, **we** cover the theft, **loss** of, or **damage** to **your vehicle**:

- (a) caused by an **event** which happens during the **period of insurance**; and
- (b) occurs within Australia or its external territories.

When "Legal liability, fire and theft" is specified on **your policy schedule** **we** cover theft, **loss** of, or **damage** to **your vehicle**:

- (a) caused by one of the following events only which happens during the **period of insurance**:
 - (i) Fire;
 - (ii) Explosion;
 - (iii) Lightning; or
 - (iv) Theft or attempted theft. and
- (b) occurs within Australia or its external territories.

What we exclude

We do not cover:

- **loss** or **damage** to tyres caused by punctures, bursts, **road** cuts or the application of brakes.
- **loss** or **damage** due to wear and tear, corrosion, mould, rusting or depreciation.
- any **vehicle** accessories other than those:
 - supplied by the manufacturer of **your vehicle** as original equipment;
 - stated within the definition of **vehicle**, or
 - accessories specified in **your policy schedule**.
- structural, mechanical, electrical, or electronic failure or breakdown.
- **loss** or **damage** caused by **you** failing to take reasonable steps to protect, prevent or diminish further **loss** or **damage** to **your vehicle** after:
 - it breaks down;
 - it is **damaged** in an **event**; or
 - **you** have been notified that **your** stolen **vehicle** has been found.
- **loss** or **damage** to **your vehicle** due to using incorrect fuel or additive.
- **damage** to **your vehicle**'s engine, gearbox or transmission because it was driven in a **damaged** condition after an **event** unless **we** agree that **you** could not reasonably have known that the **damage** was occurring.
- **loss** or **damage** caused by or arising from any person or organisation who lawfully takes possession of **your vehicle**.

Extra Covers

If as a result of the **event** which causes the **loss** or **damage** to **your vehicle** and **we** agree to pay a claim under Part 1, **we** will also pay or provide the following Extra Covers in relation to that claim.

Some Extra covers only apply to Comprehensive Cover and this is shown in the Extra Cover detail. In some circumstances **we** may decide to make an Extra Cover available to **you** before **we** accept or agree to pay **your** claim. If **we** do this, it does not mean that **your** claim has or will be accepted.

We will not pay if the **loss** or **damage** is excluded by any of the exclusions in Part 1, and Part 2 of this **policy** section, this **policy** exclusions on pages 195 to 197, the General Exclusions on pages 20 to 22 or any **endorsement**.

1. New vehicle after total loss

What we cover

This Extra Cover applies when:

- (a) **your vehicle** is insured for Comprehensive Cover and is a motorcycle, car, 4WD utility or van of not more than 2 tonne carrying capacity, trailer or rigid body truck;
- (b) **we** decide because of the **event your vehicle** is a **total loss**;
- (c) **you** are the first registered owner of **your vehicle**;
- (d) the **total loss** occurred less than two (2) years from the date of original registration of **your vehicle**;
- (e) anyone who financed **your vehicle** provides **us** with written consent; and
- (f) the new vehicle is available in Australia within 60 days of the date of the **event**.

When this Extra Cover applies **you** can choose to accept a new replacement vehicle to replace **your vehicle** with a new vehicle of the same make, model and series (or if unavailable, a vehicle of similar make and model) and **we** will pay for the initial registration, compulsory third party insurance, delivery and stamp duty costs for the new vehicle.

If **you** choose not to accept a new replacement vehicle to replace **your vehicle** and/or **we** decide that a new vehicle cannot be agreed between **you** and **us**, **we** will pay the original purchase price which **you** paid for **your vehicle** including any registration, compulsory third party insurance, delivery and stamp duty costs included in the contract of sale for **your vehicle** and **your** cover for **your vehicle** will come to an end. Any Extra Cover, Additional Benefit or Optional Insurance for that **vehicle** also ends. There will be no refund of premium.

What we exclude

This Extra Cover does not apply if:

- **your vehicle**:
 - has a stock, tanker or vacuum application;
 - is a concrete agitator **vehicle**;
 - is a garbage compactor;
 - is a concrete pumping truck or trailer;
 - is any other specialised rigid vehicle body type; or
 - is insured for **agreed value**.
- **we** have made a payment under Extra cover 12 or Extra Cover 13 of Part 1 of this **policy** section.

What we cover (cont.)

If **your vehicle** is a trailer or rigid body truck and **you** choose not to accept the new replacement vehicle and/or **we** decide that a new vehicle cannot be agreed between **you** and **us**, the most we will pay under this Extra cover is 112.5% of the **insured amount** of **your vehicle**.

2. Personal effects

What we cover

We will cover the reasonable costs of repair or replacement of **your** or the **authorised driver's personal effects** if they are **damaged** or lost as a result of **your vehicle** being:

- **damaged** as a result of the **event**; or
- stolen as a result of forcible entry to **your vehicle**.

If the **vehicle**, the subject of the claim is only insured for Legal Liability, Fire and Theft Cover, this Extra Cover will only apply when the **event** is fire or theft.

The most **we** will pay under this Extra Cover for any one **event** is \$1,000.

What we exclude

We will not pay for **personal effects** insured under another insurance **policy**.

3. Funeral expenses

What we cover

This Extra Cover only applies if **your vehicle** is insured for Comprehensive Cover.

If **you** or the **authorised driver** of **your vehicle** sustains a fatal injury during the **event** **we** will pay:

- (a) the associated burial or cremation costs for the deceased driver; and
- (b) travel costs within Australia or its external territories for any member of the deceased driver's immediate **family** to attend the funeral.

This Extra Cover will not be reduced by any accident compensation.

The most **we** will pay in total for any one **event** is \$5,000.

What we exclude

We will not pay:

- any claim if the driver of **your vehicle** dies:
 - more than twelve (12) months from the date of the **event** and the death was not caused by the **event**; or
 - because the driver committed suicide.
 - any claim if **we** have paid an amount under Extra Cover 4 – 'Personal Accident'.
-

4. Personal accident

What we cover

This Extra Cover only applies if **your vehicle** is insured for Comprehensive Cover.

We will pay \$5,000 to the driver of **your vehicle** provided:

- **your vehicle** was being driven by **you** or any **authorised driver**; and

What we exclude

We will not pay:

- any claim if the permanent and total loss happens:
 - more than 12 months after the **event** and was not caused by the **event**; or
 - because the driver attempted to commit suicide.
-

What we cover (cont.)

- as a direct and sole result of the **event**, the driver:
 - permanently and totally loses sight in one or both eyes; or
 - permanently and totally loses the efficient use of one or both hands or one or both feet.

The most **we** will pay to the driver in total for any one **event** is \$5,000.

What we exclude (cont.)

- any claim if **we** have paid an amount under Extra Cover 3 – 'Funeral Expenses'

5. Emergency repairs

What we cover

This Extra Cover only applies if **your vehicle** is insured for Comprehensive Cover.

We will cover the reasonable costs of **emergency repairs** incurred by **you** if they are necessary to get **your vehicle** to **your** destination or a repairer after the **event**.

If **you** need **emergency repairs we** give **you** the authority to arrange these matters on **our** behalf. **You** must produce tax invoices and receipts for all costs if **we** ask for them.

The most **we** will pay under this Extra Cover for any one **event** is:

- \$1,000 if **your vehicle** is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity;
 - or
 - \$3,000 if **your vehicle** is any other type of **vehicle** other than specified above.
-

6. Emergency travel

What we cover

This Extra Cover only applies if **your vehicle** is insured for Comprehensive Cover.

We will cover the reasonable costs of emergency travel within Australia for **you** or the **authorised driver** and any **vehicle** occupants if **your vehicle** is unroadworthy or unsafe to drive following the **event**.

If **you** need emergency travel **we** give **you** the authority to arrange these matters on **our** behalf. **You** must produce tax invoices and receipts for all costs if **we** ask for them.

The most **we** will pay under this Extra Cover for any one **event** is \$2,000 in total.

7. Emergency accommodation

What we cover

This Extra Cover only applies if **your vehicle** is insured for Comprehensive Cover.

If **your vehicle** becomes unroadworthy or unsafe to drive as a result of the **event**, **we** will pay the reasonable costs of emergency accommodation for **you** or the **authorised driver** if the **event** was more than 100km from **your** home or the **authorised driver's** home.

If **you** need emergency accommodation **we** give **you** the authority to arrange these matters on **our** behalf. **You** must produce tax invoices and receipts for all costs if **we** ask for them.

The most **we** will pay under this Extra Cover for any one **event** is \$2,000.

8. Removal of debris

What we cover

This Extra Cover only applies if **your vehicle** is insured for Comprehensive Cover.

If **you** are liable to pay the cost of cleaning up or removing goods that have fallen off **your vehicle** because it was in a collision or it overturned, **we** will cover those reasonable costs.

You must provide invoices or other proof of payment of costs if **we** ask for them.

The most **we** will pay under this Extra Cover for any one **event** is \$25,000. **You** may also be able to make a claim under Part 2 Legal Liability.

9. Vehicle modifications

What we cover

This Extra Cover only applies if **your vehicle** is insured for Comprehensive Cover.

We will cover the reasonable costs of modifying **your vehicle** for any driver of **your vehicle** who is permanently disabled as a result of the **event**.

The most **we** will pay under this Extra Cover for any one **event** is \$3,000.

10. Towing and storage

What we cover

We will cover the reasonable and necessary costs of towing and storing **your vehicle** when as a result of the **event** **your vehicle** cannot be driven. **We** cover the reasonable costs of towing **your vehicle** to:

- **our** nearest assessing centre;

What we exclude

We do not cover:

- storage costs for any period after **your** claim is settled; or
-

What we cover (cont.)	What we exclude (cont.)
<ul style="list-style-type: none"> a recommended repairer that we nominate; or a repairer we agree to. 	<ul style="list-style-type: none"> the costs of towing or storage of your vehicle if “Legal Liability, Fire and Theft Cover” is specified in your policy schedule and the event was explosion or lighting.

11. Hire vehicle after theft

What we cover	What we exclude
<p>We will cover the reasonable cost incurred by you of hiring a vehicle of a similar make and model to your vehicle for up to thirty (30) days if your vehicle is stolen and either not found or is found but is not drivable. This cover stops before the thirty (30) day limit if and when:</p> <ul style="list-style-type: none"> your vehicle is returned undamaged; we repair your vehicle and return it to you; or we settle your claim. <p>If you withdraw your claim or we refuse to accept it, you might have to refund us any payments made or costs we have incurred for the hire vehicle.</p> <p>The most we will pay under this Extra Cover for any one event is \$3,000.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"> any running costs and extras of the hire vehicle, including paying the deposit, security bond, fuel, excess reduction costs and any upgrade costs. any costs for any period you continue to use the hire vehicle after this Extra Cover stops.

12. Lease payout – motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity

What we cover	What we exclude
<p>This Extra Cover only applies if your vehicle is insured for Comprehensive Cover.</p> <p>If your vehicle is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity and we decide the vehicle is a total loss, and the amount owing by you under a lease or a hire purchase agreement is greater than the market value of your vehicle, then we will pay the difference between the amount owing by you under the lease or a hire purchase agreement and the market value of your vehicle, less:</p> <ul style="list-style-type: none"> any amounts or interest in arrears at the time of the loss or damage; and any discounts, finance charges or interest for the unexpired term of the financial agreement. <p>The most we will pay under this Extra Cover is 20% of the market value of your vehicle.</p>	<p>We will not pay any claim under this Extra Cover if:</p> <ul style="list-style-type: none"> your vehicle is insured for agreed value; your vehicle was purchased via a personal loan or line of credit; the loss or damage to your vehicle was caused by fire or theft; or we have replaced your vehicle or made a payment under Extra Cover 1 – ‘New vehicle after total loss’.

13. Lease payout – vehicle other than those referred to in Extra Cover 12

What we cover	What we exclude
<p>This Extra Cover only applies if your vehicle is insured for Comprehensive Cover and is not a vehicle referred to in Extra Cover 12 of Part 1.</p>	<p>We will not pay any claim under this Extra Cover if:</p> <ul style="list-style-type: none"> the loss or damage to your vehicle was caused by fire or theft;

What we cover (cont.)

If **we** decide **your vehicle** is a **total loss**, and the amount owing by **you** under a lease or a hire purchase agreement is greater than the **market value** of **your vehicle**, then **we** will pay the difference between the amount owing by **you** under the lease or hire purchase agreement and the **market value** of **your vehicle** less:

- any amounts or interest in arrears at the time of the **loss** or **damage**; and
- any discounts, finance charges or interest for the unexpired term of the financial agreement.

The most **we** will pay under this Extra Cover is 12.5% of the **insured amount** of **your vehicle**.

What we exclude (cont.)

- **your vehicle** was purchased via a personal loan or line of credit; or
- **we** have replaced **your vehicle** or made a payment under Extra Cover 1 – ‘New vehicle after total loss’.

Additional Benefits

If **your vehicle** is insured for Comprehensive Cover, the following Additional Benefits will apply during the **period of insurance**.

There does not need to be **loss** or **damage** to **your vehicle** caused by an **event** to claim under these Additional Benefits.

All of the general terms, conditions and exclusions of this **policy** and terms, conditions and exclusions of this **policy** section apply to the Additional Benefits (including the basic **excess** applicable to **your vehicle**) unless otherwise specified including, without limitation, the exclusions applicable to Part 1 and Part 2 of this **policy** section, this **policy** section exclusions on pages 195 to 197, the General Exclusions on pages 20 to 22 or any **endorsement**.

1. Two-wheel or box trailer

What we cover

We cover **loss** of, or **damage** to, **your** two-wheel or box trailer caused by an **event** during the **period of insurance** while it is attached or being towed by **your vehicle**.

No **excess** is applicable for any claim under this Additional Benefit.

The most **we** will pay under this Additional Benefit for any one **event** is \$1,000.

What we exclude

We will not pay any claim under this Additional Benefit if **your** two-wheel or box trailer is insured as a separate **vehicle** under **your policy**.

2. Locks and keys

What we cover

We cover the cost of replacing the keys or re-coding **your vehicle's** locks if during the **period of insurance**, the keys to **your vehicle**:

- have been stolen (even if **your vehicle** was not);
- have been **damaged** or lost after an **event** as a result of which **we** have paid a claim under Part 1; or
- may have been duplicated and there is reasonable grounds to believe so.

The most **we** will pay under this Additional Benefit for any one **event** relating to the keys of **your vehicle** is \$5,000.

3. Hired vehicle

What we cover

If **you** hire a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity in Australia and **you**:

- do not insure it with the hiring company, **we** will cover:
 - theft, **loss** of, or **damage** to, that hire vehicle caused by an **event** happening during the **period of insurance**; and
 - **your** or the **authorised driver's** legal liability for **damage** to another person's property caused by **you** or an **authorised driver** while driving or in control of the hire vehicle and happening during the **period of insurance** and caused by an **event** as described above.
- do insure it with the hiring company for theft, **loss** or **damage** or legal liability, **we** will cover any **excess** **you** are required to pay to the hiring company under that insurance for theft, **loss** or **damage** to that hire vehicle or for legal liability during the **period of insurance**.

You must pay **us** an **excess** of \$500 for any claim accepted by **us** under this Additional Benefit. The basic **excess** does not apply.

The most **we** will pay under this Additional Benefit for the theft, **loss** or **damage** to the hired vehicle or the hire vehicle **excess** is \$40,000 for any one **event**.

For **your** or an **authorised driver's** legal liability for **damage** to another person's property the 'limits to what we pay' in Part 2 – Legal Liability will apply.

4. Recovery costs – no damage

What we cover

We cover the reasonable cost of moving **your vehicle** to a place of safety following it becoming immobilised, bogged or stranded during the **period of insurance** even if there is no **damage** to **your** vehicle ("Recovery").

You must pay for all recovery costs, after Recovery, and provide tax invoices and receipts for all costs if **we** ask for them.

The most **we** will pay under this Additional Benefit is \$5,000 for each Recovery.

You must pay the basic **excess** applicable to **your vehicle** for any claim accepted under this Additional Benefit.

What we exclude

We will not pay any claim where **your vehicle** is immobilised, bogged or stranded solely as a result of **vehicle** failure or breakdown.

5. Theft of certain vehicle accessories

What we cover

We cover the reasonable cost to replace any of the following accessories that would normally be attached to or in or on **your vehicle** if they are stolen during the **period of insurance**, even if the theft occurs while they are not attached to **your vehicle** or if they are not shown on **your policy schedule**:

- Buckets
- Chain trencher
- Hammer
- Laser
- Pallet forks
- Post hole borer
- Ramps
- Ripper
- Rock breaker
- Sweeper.

You must pay the basic **excess** applicable to **your vehicle** for any claim accepted under this Additional Benefit unless **you** have already paid the **excess** applicable to **your vehicle** because it was also stolen in the **event**.

What we exclude

We will not cover these accessories if:

- **you** do not give **us** evidence to satisfy **us** that the **insured amount** reflects the value of **your vehicle** plus the accessories; or
- **you** cannot prove **you** owned the accessories.

6. Non-owned trailer in control

What we cover

If **your vehicle** is a rigid body truck of 2 tonne carrying capacity or more, **we** will cover **loss** of, or **damage**, occurring in the **period of insurance** to a trailer **you** do not own, lease or hire when:

- the trailer was in **your** legal possession or control at the time the **loss** or **damage** occurred; and
- **you** or an **authorised driver** was using the trailer in conjunction with **your vehicle**.

You must pay **us** an **excess** of \$2,500 (unless another amount is specified in any **endorsement**) for any claim accepted by **us** under this Additional Benefit. This **excess** is additional to any **excess** payable for **your vehicle**.

The most **we** will pay under this Additional Benefit is \$50,000 per **event** which causes the **loss** or **damage** to the trailer regardless of how many trailers **you** may have in **your** possession or control at the time of the **event**.

What we exclude

We will not pay for **loss** or **damage** to goods or property being carried by the trailer.

How we settle a claim under Part 1

If **we** agree to pay a claim under Part 1 of this **policy** section, **we** will either pay **you** for a **partial loss** or a **total loss**.

Total loss

Your vehicle is a **total loss** if it is stolen and not recovered after 14 days of **you** reporting its theft to **us** and **we** agree to accept a claim for theft of **your vehicle**, or when **we** decide it is uneconomical or unsafe to repair.

Where **we** decide **your vehicle** is a **total loss** and the conditions applying to Extra Cover 1 – ‘New vehicle after total loss’ are met, **you** can choose to accept a new replacement **vehicle** of the same make, model and series as **your vehicle** to replace **your vehicle**. If **you** choose to not accept a new replacement **vehicle** of the same make, model or series and/or **we** decide that a new vehicle cannot be agreed between **you** and **us**, **we** will pay **you** the original purchase price which **you** paid for **your vehicle** including any registration, compulsory third party insurance, delivery and stamp duty costs included in the contract of sale for **your vehicle** and **your** cover for **your vehicle** will come to an end. Any Extra Cover, Additional Benefit or Optional Insurance for that **vehicle** also ends. There will be no refund of premium.

Where **we** decide **your vehicle** is a **total loss** and if Extra Cover 1 – ‘New vehicle after total loss’ does not apply, **we** will settle **your** claim in one of the following ways:

1. Insured amount

If the **vehicle** is specified in **your policy schedule** as having an insured amount, **we** will pay **your** claim in one of two ways:

- (a) If the **insured amount** of **your vehicle** is specified in **your policy schedule** as **market value**, **we** will pay **you** the **market value** of **your vehicle**;
- (b) If the **insured amount** of **your vehicle** is specified in **your policy schedule** as a dollar amount, **we** will pay **you** the lesser of that dollar amount or the **market value** of **your vehicle**.

If **we** pay the **insured amount** as a result of a **total loss**, then **your** cover for that **vehicle** comes to an end. Any Extra Cover, Additional Benefit or Optional Insurance for that **vehicle** also ends. There will be no refund of premium.

2. Agreed value

If the **vehicle** is specified in **your policy schedule** as having ‘**agreed value**’ next to the dollar amount, **we** will pay **you** the **agreed value**.

The **agreed value** for **your vehicle** includes accessories within the definition of **vehicle** plus any agreed accessory specified in **your policy schedule**.

If **we** pay the **agreed value** as a result of a **total loss** then **your** cover for that **vehicle** comes to an end. Any Extra Cover, Additional Benefit or Optional Insurance for that **vehicle** also ends. There will be no refund of the premium.

3. Additional vehicles.

For how **we** settle a claim under Part 1 for additional **vehicles** before **you** have told **us** about the additional **vehicle** and before **we** have agreed to continue to cover the additional **vehicle** as a ‘**vehicle**’ under this **policy** section, refer to page 175.

Conditions and deductions applicable to all total loss settlements

We will deduct any **excess** owing and unpaid premium (including instalments) from the amount that **we** pay **you**. **We** require **you** to pay these amounts in full before **we** provide Extra cover 1 – ‘New vehicle after total loss’.

Your vehicle, including any unexpired premium, registration and Compulsory Third Party (CTP) insurance, unless the law requires otherwise, becomes **our** property when **we** pay **you** for the **total loss**. Where **you** are entitled to obtain a refund for unused registration or CTP insurance, **we** will normally deduct those amounts from what **we** pay **you** for the **total loss**. If **we** ask, **you** must provide **us** with reasonable assistance to collect any unexpired registration and CTP insurance.

If another party (e.g. a bank) has a legally valid interest in **your vehicle** which is recorded in **your policy schedule** and **your vehicle** is a **total loss**, **we** pay them (instead of **you**) what **you** owe them up to the amount **you** are entitled to under this **policy**. If this amount is less than the full amount payable under this **policy** section, **we** pay **you** the balance.

When **we** replace **your vehicle** or pay **you** for the **total loss**, **your vehicle** salvage becomes **our** property.

If another party is entitled to the salvage of **your vehicle**, **we** will deduct **our** estimate of the salvage value from **our** settlement. For example, this could occur if **you** had purchased **your vehicle** not knowing that it was used as security on

a financial agreement involving the previous owner. This means the credit provider may be entitled to the salvage of **your vehicle**.

For an example of how **we** settle a **total loss** claim, see page 185 of this **PDS**.

Partial loss

Where **we** decide **your vehicle** is a **partial loss**, **we** will decide if **we**:

- repair the **damage**;
- replace the **damaged** parts of **your vehicle**; or
- pay **you** what it would cost **us** to repair the **damage** or replace the damaged parts of **your vehicle**.

If **we** settle **your** claim by paying **you** what it would have cost **us** to repair the **vehicle**, **we** can reduce the amount of cover to reflect the lower value of that **vehicle** in its damaged condition.

For an example of how **we** settle a **partial loss** claim, see page 186 of this **PDS**.

Choice of repairer and parts policy

We can arrange the repair of **your vehicle** with a **recommended repairer** if one is available, or alternatively **you** can choose **your** own repairer and arrange repairs with them.

Where **we** are unable to provide **you** with access to one of **our recommended repairers**, **we** will require **you** to choose **your** own repairer.

If **we** authorise repairs with a **recommended repairer** or **your** own repairer, **we** will:

- authorise the repair of the damaged parts of **your vehicle** to the same or reasonably similar condition and standard the damaged parts were in immediately before the **event** which caused the **loss** or **damage**;
- authorise only the use of new parts or parts which are consistent with the age and condition of **your vehicle** (which may include using non-genuine and/or recycled parts);
- authorise only the use of manufacturer's approved parts if **your vehicle** is under warranty, but not when **your vehicle** has an extended warranty, or for windscreen, window glass or radiator and air conditioning parts replacement. In the case of radiators and air conditioning systems, parts produced by genuine parts suppliers may be used;
- only pay the market value of damaged parts **we** consider to be obsolete;
- not pay for the replacement of undamaged parts, which includes items that are part of a whole set when the **loss** or **damage** occurred to only part of the set (such as alloy wheels);
- replace damaged windscreen or window glass with glass which may not be produced by the original manufacturer but will meet Australian Design Rules; and
- guarantee the quality of materials and workmanship in respect of the repairs for the life of the **vehicle**. See 'Lifetime guarantee for repairs' below.

Any repairer **we** authorise to repair **your vehicle** may sub-contract some of the repairs to a person of their choice. This will usually occur when the repairer is unable to perform the repairs themselves.

If **you** choose **your** own repairer and **we** do not authorise repairs, **we**:

- will pay an amount equal to the **reasonable repair costs**; and
- will not provide any guarantee for the quality of materials and workmanship in respect of the repairs.

We are not responsible for any costs or losses which occur because of delays in delivery of parts. If a part is not available in Australia, **we** will pay the cost of surface freight from the nearest reasonable source of supply.

You are responsible for the cost of any air-conditioning refit, re-gas or modification required by law.

Contribution to repair work

You may have to contribute to the cost of replacing or repairing tyres, engines, accessories, paintwork, bodywork, radiators, batteries, interior trims, or caravan annexes affected by wear and tear or rust and corrosion. How much **you** are required to pay will depend on how worn **we** consider these items were when the **damage** happened.

If **you** do not agree to pay these amounts **we** will pay **you** the **reasonable repair cost** less any contribution charges.

We will subtract any **excess** that may apply.

Lifetime guarantee for repairs

If **we** authorise repairs for **your vehicle**, **we** will guarantee the repairs against any defect due to workmanship or faulty material for the life of **your vehicle**. The parts used in any lifetime guarantee repairs to a **vehicle** will be the same as those described in 'Choice of repairer' above. If **you** are concerned about the quality of the repairs to a **vehicle**, **you** must contact **us** and make **your vehicle** available to **us**. **You** must not authorise any rectification work without **our** written authority.

We will inspect the repair and arrange any necessary rectification work. If, in **our** opinion, it would not be safe or economical to carry out the rectification work required, **we** will declare the **vehicle** a **total loss** and the conditions applying to Extra Cover 1- 'New vehicle after total loss' are not met **we** will pay **you** an amount under 1 – '**Insured amount**' or 2 – '**Agreed value**' (see page 185), whichever applies to **your vehicle**.

If **you** choose **your** own repairer and **we** pay **reasonable repair costs** instead of authorising repairs, **we** will not provide a lifetime guarantee for the repairs.

Vehicle identification

Where **your vehicle's** identification, such as its compliance, build or VIN plate or label, has been **damaged**, **we** will try to source a replacement from its manufacturer. If **we** cannot source it for **you**, **we** will attempt to obtain a letter from the manufacturer to confirm **your vehicle's** identity and that its original identification has been **damaged**. **We** will still repair **your vehicle** without replacing any **damaged** identification, unless an alternative form of identification is required by law.

Underinsurance condition

If at the time of the **event** which caused the **loss** or **damage** to **your vehicle**, **your vehicle** was insured for less than 80% of its **market value** and **we** decide **your vehicle** is:

- a **total loss**, **we** will not apply this underinsurance condition; or
- a **partial loss**, **we** will pay the same proportion of the **loss** as the **insured amount** bears to 80% of the **market value** of **your vehicle**.

In assessing the amount **we** pay, attached trailers and dollies are regarded as separate and distinct insured **vehicles**.

This underinsurance condition does not apply if **your vehicle** is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity.

No Claim Bonus - Policy section 10 – Commercial motor (Comprehensive Cover only)

A no claim bonus recognises **your** good driving and claims history record when **you** are insured for Comprehensive Cover.

Your policy schedule will show **your** no claim bonus (if any).

How you earn a No Claim Bonus

If **you** are not entitled to a maximum no claim bonus, **you** will earn an entitlement to a bonus for the next **period of insurance** if there have been no claims that fall within the definition of a **penalty claim** (as defined in Policy section 10).

The following will apply if **you** qualify for a no claim bonus:

For sedans, station wagons, 4 wheel drives or goods carrying **vehicles** with a carrying capacity of 2 tonne or less:

Year	Existing bonus	Renewal bonus
1st Year	0%	25%
2nd Year	25%	45%
3rd Year	45%	55%
4th Year	55%	65%
Subsequent Years	65%	65%

For all other **vehicles**:

Year	Existing bonus	Renewal bonus
1st Year	0%	20%
2nd Year	20%	30%
3rd Year	30%	40%
4th Year	40%	50%
Subsequent Years	50%	50%

How making a claim could affect your no claim bonus

Windscreen claims

When **you** renew **your policy**, **your** no claim bonus will not be affected by any windscreen or window glass claim **you** make.

Other claims

When **you** renew **your policy**, **we** reduce **your** no claim bonus for each **penalty claim (as defined in Policy section 10)** **you** have made during the **period of insurance** unless **you** have Optional cover 3 – ‘Protected No Claim Bonus’. If **you** have this Optional cover for **your vehicle** the subject of a claim, **we** will not count the first **penalty claim** on that **vehicle** during the **period of insurance**.

The amount **we** reduce **your** no claim bonus to is set out below:

For sedans, station wagons, 4 wheel drives or goods carrying **vehicles** with a carrying capacity of not 2 tonnes or less:

Your current No claim bonus	Following 1 penalty claim	Follow
65%	45%	Nil
55%	25%	Nil
45%	Nil	Nil
25%	Nil	Nil
Nil	Nil	Nil

For all other **vehicles**:

Your current No claim bonus	Following 1 penalty claim	Following more than one penalty claim
50%	30%	Nil
40%	20%	Nil
30%	Nil	Nil
20%	Nil	Nil
Nil	Nil	Nil

Part 2 – Legal liability

We will cover **you**, an **authorised driver** or a passenger in **your vehicle** for legal liability if the legal liability comes within the terms as described under ‘What we cover’ and the legal liability is not excluded:

- (a) by anything under ‘What we exclude’ section;
- (b) by this **policy** section exclusions on pages 195 to 197;
- (c) the General Exclusions on pages 20 to 22; or
- (d) by any **endorsement**.

What we cover	What we exclude
<p>We will cover you, an authorised driver or passenger in your vehicle for legal liability (found by a Court, Tribunal or accepted by us) to pay compensation for personal injury or damage to property occurring during the period of insurance and within Australia or its external territories caused an event which was neither intended or expected by you and the event was caused by one or more of (a) to (e) below:</p> <ul style="list-style-type: none">(a) you or an authorised driver driving, using or being in charge of your vehicle;(b) property being carried by or falling from your vehicle;(c) loading goods onto your vehicle from a fixed place of rest directly beside your vehicle;(d) unloading goods off your vehicle to a fixed place of rest directly beside your vehicle; or(e) a passenger in your vehicle with you or the authorised driver’s permission while travelling or getting in or getting out of your vehicle.	<p>We will not cover any liability:</p> <ul style="list-style-type: none">• for anything excluded by any other “We do not cover” section in Part 1 or Part 2 of this policy section;• which is a direct or indirect result of discharge or escape of contaminants or pollutants or dangerous goods from your vehicle unless they are substances you are legally allowed to carry;• for loss of, or damage to property you own, control or are responsible for, or which belongs to someone who normally lives with you. However, this exclusion will not apply to your legal liability for damage to motor vehicles belonging to an employee or visitor which occurs within the confines of a private car park owned or operated by you;• for personal injury to anyone who was your employee at the time of the event;• for personal injury if you were or anyone else was required by law to have or otherwise to fund insurance for compensation, damages or similar insurance for such injury (e.g. compulsory third party insurance or workers compensation required by law);• for personal injury where there is another insurance policy in force (ie. public liability insurance policy) covering or which is capable of covering such liability;• for personal injury if your vehicle is registered in the Northern Territory of Australia;• where you or another of the persons named above in this section cause your or their own personal injury, or if you injure or cause the death of someone who normally lives with you or them;• arising because you, an authorised driver of your vehicle or, a passenger in your vehicle agreed to accept liability;• arising from any agreement you or anyone insured under this policy has entered into, unless legal liability would have applied anyway;• for personal injury if at the time of the event your vehicle was being used as a show, carnival or festival attraction, parade float or for any similar activity;

What we cover (cont.)

What we exclude (cont.)

- if at the time of the **event your vehicle** was being driven or used at, in or on any **aircraft** hangar or any part of an airport or airfield used by **aircraft** for loading, unloading, taxiing, takeoffs or landings;
- resulting from the use of **your vehicle** if it was unregistered at the time of the **event**, unless **your vehicle** is an unregistered on-site caravan;
- in respect of fuel contamination caused by **you** delivering:
 - the incorrect type of fuel; or
 - the fuel to the incorrect place.
- for **damage to property** resulting from an **event** arising out of the use of **your vehicle** while it is digging, excavating, boring or drilling. However, **we** will pay if **your vehicle** is being used for the sole purpose of travelling to or from any work site or transporting or carting goods at the time of the **event** and is not being used at the time of the **event** for any other purpose including any specific activity for which the **vehicle** was designed.
- to pay fines or punitive, exemplary or aggravated damages;
- arising directly or indirectly from:
 - the transportation, distribution, and or storage of asbestos; or
 - any material containing asbestos or any process of decontamination, treatment or control of asbestos.

For the avoidance of doubt, the above asbestos exclusions only apply to personal injury arising in consequence of inhalation or physical exposure to any type of asbestos fibre or its derivative, and to **loss** or **damage to property** due to the presence of asbestos.

- for **personal injury** or **loss** of, or **damage to property**, arising directly or indirectly out of the actual, alleged or threatened discharge, seepage, dispersal, migration, release or escape of **contaminants** or **pollutants**:
 - into or upon any property, land, the atmosphere, water course or body of water (including ground water); or
 - caused by any product or physical liquid item that has been discarded, dumped, abandoned or thrown away by **you**, **your employee**, other person under **your** control or by others.

However this exclusion does not apply to Additional Benefit 1 – ‘Pollution’ of Part 2.

Additional Benefits

We will also pay or provide the following Additional Benefits. Where the Additional Benefit provides cover for **your** legal liability, the **event** giving rise to the legal liability must not be expected or intended.

We will not pay under these Additional Benefits if **your** claim or legal liability is excluded by anything in the applicable 'What we exclude' section, anything in any other 'What we exclude' section in Part 1 or Part 2 of this **policy** section, this **policy** section exclusions on pages 195 to 197, the General Exclusions on pages 20 to 22 or any **endorsement**. All of the general conditions of this **policy** apply unless stated otherwise.

Unless otherwise stated below, any amounts payable under these Additional Benefits are included within, and are not in addition to, any amount **we** pay for legal liability under Part 2 of this **policy** section and specified under 'Limits to what we pay' on page 192 of this policy section.

1. Damage by uninsured drivers

What we cover

If **your vehicle** is insured for Legal Liability, Fire and Theft Cover or Legal Liability Only, **we** cover **loss** of, or **damage** to, **your vehicle** during the **period of insurance** as a result of a collision with another **vehicle** driven by an uninsured driver.

A driver is uninsured if neither the driver nor the owner of the other **vehicle** has an insurance policy that would cover them for the **loss** or **damage** to **your vehicle**.

We only pay if:

- **you** show the **collision** was the fault of the uninsured driver and **we** agree; and
- **you** can identify the other vehicle and its driver by providing **us** with their name, residential address, phone number and registration details.

The most **we** will pay under this Additional Benefit is \$5,000 or the **market value** of **your vehicle** (whichever is less), for **loss** of, or **damage** to, **your vehicle** during any one **period of insurance**.

We will deduct:

- any **excess** that may apply to **your vehicle**; and
- the residual value of the **vehicle** and unexpired registration and CTP insurance if it is not repairable (when **you** keep the **vehicle**).

2. Emergency services

What we cover

If **we** agree to cover a claim under Part 1 or Part 2 **we** will cover the reasonable costs and charges levied by the police force or any fire brigade or other authority due to **your vehicle** causing the attendance at the accident site of a member of the:

- fire brigade or authority for the purpose of fire extinguishment or other purposes; and/or
- police force.

What we exclude

3. Pollution

What we cover

We will cover **your** legal liability (found by a Court, Tribunal or accepted by **us**) to pay compensation for **personal injury** or **damage to property** arising directly or indirectly out of the actual, alleged or threatened discharge, dispersal, release or escape of **contaminants** or **pollutants** into or upon any property, land, the atmosphere, water course or body of water (including ground water), where such discharge, dispersal, release or escape:

- is caused by or in connection with the operation, ownership, possession or use by **you** or on **your** behalf of any **vehicle**;
- is caused by a sudden identifiable, unintended and unexpected **event**;
- takes place in its entirety at a specific point in time during the **period of insurance** and within Australia or its external territories; and
- does not relate to any property, land, air, water course or body of water which **you** own, occupy or have in **your** custody or control.

We will also cover the clean up or removal costs if they are caused by such an incident within Australia or its external territories.

The most **we** will pay for **your** legal liability under this Additional Benefit is \$500,000 in total during the **period of insurance**.

What we exclude

We will not pay if the **contaminants or pollutants** are **dangerous goods**.

4. Legal liability for unregistered on-site caravans

What we cover

If **your vehicle** is an unregistered onsite caravan, **we** will cover **your** legal liability (found by a Court, Tribunal or accepted by **us**) to pay compensation for **personal injury** or **damage to property** which is caused by **your** use or occupation of the unregistered on-site caravan during the **period of insurance** in Australia or its external territories.

What we exclude

We will not pay for:

- amounts **you** must pay which are covered, or should be covered, by Medicare, workers compensation or another government scheme or arrangement, or private medical insurance; or
 - **loss** or **damage** to the unregistered on-site caravan.
-

5. Non-owned vehicle liability

What we cover

We will cover **your** legal liability (found by a Court, Tribunal or accepted by **us**) to pay compensation for **damage to property** owned or controlled by someone else and which is caused by any vehicle not owned or supplied by **you** while that vehicle is being used or driven by **you** or an **authorised driver** in connection with **your business** during the **period of insurance** in Australia or its external territories.

You must pay **us** an **excess** of \$500 for each claim accepted by **us** under this Additional Benefit.

What we exclude

We will not pay for **loss** of or **damage** to property owned or controlled by **you**.

6. Legal liability for caravans and trailers

What we cover

You are covered for **your** legal liability (found by a Court, Tribunal or accepted by **us**) to pay compensation for **personal injury** or **damage to property** resulting from:

- the actions of a caravan or trailer while it is being towed by **your vehicle**;
- a caravan or trailer running out of control after separating from **your vehicle** while **your vehicle** is moving; or
- another vehicle colliding or acting to avoid a collision with:
 - property falling off a caravan or trailer while it is being towed by **your vehicle**; or
 - property being loaded or unloaded from a caravan or trailer attached to **your vehicle**,

which occur during the **period of insurance** in Australia or its external territories.

What we exclude

We do not cover **loss** or **damage** to:

- the caravan or trailer unless it is a **vehicle** insured under Part 1; or
- the property which is loaded or unloaded from or which falls from the caravan or the trailer.

We do not cover the cost to remove the trailer or caravan debris, unless the caravan or trailer is an insured **vehicle** and **we** have accepted a claim for **loss** or **damage** to the caravan or trailer under Part 1.

How we settle a claim under Part 2

If **we** agree to cover legal liability under this policy section to pay compensation for **personal injury** or **damage to property**, **we** will pay:

- the compensation;
- legal costs and expenses if **we** have given **our** prior written consent to **you** incurring these costs;
- costs and charges reasonably and necessarily incurred by **you** in removing or cleaning up debris, unless stated otherwise; and
- costs and charges reasonably and necessarily incurred to extinguish a fire that **your vehicle** has caused.

We will also pay legal costs to represent **you** or any other person covered under this **policy** section at any inquest, court proceedings or other inquiry in relation to a claim which may give rise to **you** being legally liable and where such liability is or would be covered under this **policy** section including under the Extra Cover or Additional Benefits, if **we** have given **our** prior written consent to **you** incurring these costs.

You must pay any **excess** that may apply.

For an example of how **we** settle a liability claim, see page 199 of this **PDS**.

Limits to what we pay

The most **we** will pay for legal liability to pay compensation for **personal injury** or **damage to property** covered under this **policy** section, arising directly or indirectly from one (1) **event** is \$50 million (unless another amount is specified in **your policy schedule**) but restricted to:

- \$1,000,000 for any one (1) **event** occurring within the external territories of Australia, but only in respect of the death or bodily injury to another person;
- \$1,000,000 (unless another amount is specified in **your policy schedule**) where **your vehicle** is being used for the transportation of **dangerous goods** or is attached to, or is towing, a **vehicle** used for the transportation of **dangerous goods**; and
- \$500,000 during the **period of insurance** in respect of all claims under Additional Benefit 1 – ‘Pollution’ of Part 2.

These amounts include all legal costs and expenses including any debris clean-up costs and fire extinguishment costs covered under this **policy** section.

These limits are inclusive of, and are not in addition to, any amount **we** pay for legal liability under any Extra Cover, Additional Benefit or Optional Insurance (both Parts 1 and 2) or **endorsement** unless a lower limit is specified therein.

These limits are the most **we** will pay even if there are several claims against **you** relating to the one (1) **event**.

Optional Insurance

Any optional insurance **you** select, and **we** agree to give **you**, will be shown on **your policy schedule**. Extra premium will apply. Options 1, 2 and 3 are only available if **your vehicle** is a car, utility, 4WD or van of not more than 2 tonne carrying capacity.

We may decide to make an optional cover available to **you** before **we** accept or agree to pay **your** claim. If **we** do this, it does not mean that **your** claim has or will be accepted. If **we** later decide that **we** cannot pay **your** claim **we** may decide to recover the costs from **you**.

We will not pay if the **loss, damage** or legal liability is excluded by any of the exclusions in Part 1 and Part 2 of this **policy** section exclusions on pages 195 to 197, the General Exclusions on pages 20 to 22 or any **endorsement**. All of the general conditions of this **policy** section apply unless stated otherwise.

1. Windscreen excess waiver

What we cover

You will not have to pay the basic **excess** for the first windscreen or window glass claim for a **vehicle** in the **period of insurance**. If **you** have any additional windscreen or window glass claims during the same **period of insurance** for the same **vehicle**, the basic **excess** will apply.

2. Rental vehicle after accident

What we cover

If **your vehicle** cannot be driven or is in need of repair following **loss** or **damage** as a result of the **event** (other than theft) for which **we** agreed to pay a claim under Part 1, **we** will reimburse **you** for the cost of a hire **vehicle**:

- of a similar type to **your vehicle**; and
- from the date **your vehicle** is left at the repairers.

For cover applicable to the hire **vehicle** please refer to Additional Benefit 3 – ‘Hire Vehicle’.

The most **we** will pay under this Optional Insurance is \$1,500 for any one **event**.

What we exclude

We will not pay:

- if **your vehicle** is stolen;
- to hire a **vehicle** for any longer than the day after repairs to **your vehicle** have been completed;
- after **your** claim has been paid if **your vehicle** is a **total loss**;
- the running costs of the rental **vehicle**; or
- for any other non-rental costs which **you** may be liable to pay for under a hire agreement.

3. Protected No Claim Bonus

What we cover

Where a **penalty claim** would affect **your** no claim bonus, it will not be affected for a **vehicle** provided that **you** have not made a previous **penalty claim** for an **event** occurring in the **period of insurance** for that same **vehicle**.

What we exclude

This Optional Insurance does not apply unless **you** are entitled to a maximum no claim bonus for **your vehicle**.

4. Damage to towed vehicles

What we cover

If **your vehicle** is a registered tow truck, **we** cover all amounts **you** become legally liable to pay for **loss** of, or **damage** to, any vehicle being towed, retrieved or carried by **your vehicle**, in the **period of insurance** in Australia or its external territories caused by an **event**.

However, the exclusion under what ‘We do not cover’ on page 187 of Part 2 of this **Policy section** for ‘**loss** of, or **damage** to, property **you** own, control or are responsible for’ does not apply to this Optional Insurance 4.

The most **we** will pay under this Optional Insurance is \$150,000 for **loss** of, or **damage** to, any **vehicle(s)** being towed, retrieved or carried by **your vehicle** for any one **event**.

What we exclude

We will not pay if **your vehicle** and the vehicle being towed, retrieved or carried are being operated contrary to any law or regulation relating to the use of a tow truck.

Excesses

An **excess** is the amount **you** will have to pay for each **event** when **you** make a claim under this **policy**, unless stated otherwise. **Excesses** are cumulative. For each **event**, or series of **events** arising from the one (1) originating cause, **you** will bear the amount of the **excess** in respect of each and every insured **vehicle**, unless stated otherwise.

You might have to pay more than one type of **excess** when **you** claim.

We will decide if **you** pay the **excess** to **us** (when **we** ask for it) or to the repairer when **you** pick up **your vehicle** after it has been repaired. **We** can also choose to deduct the **excess** from the amount **we** pay **you**. In the case of a new replacement **vehicle**, **we** may require **you** to pay the **excess** before taking delivery of the new **vehicle**.

You do not pay any **excess** when **your vehicle** is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity if:

- a third party's vehicle is involved in the **event**, and **we** agree the driver of **your vehicle** was not at fault, and **you** can identify the other **vehicle** and the other driver responsible (by providing **us** with their name, residential address, phone number and vehicle registration details); or
- no other **vehicle** is involved in the **event**, and **we** agree the driver of **your vehicle** was not at fault, and **you** can identify another person at fault (by providing **us** with their name, residential address and phone number) and **we** agree that they were at fault.

Types of excesses

The amount and types of **excess** are shown on **your policy schedule** or in this **PDS**.

Basic excess

The basic **excess** applies to each **event** the subject of a claim unless stated otherwise in the **PDS**.

Age or inexperienced drivers excess

An age or **inexperienced driver excess** applies if a driver under 25 or an **inexperienced driver** was in charge of **your vehicle** at the time of an **event**. This **excess** is added to any other **excess** that applies. This **excess** will not apply to glass, damage while parked, fire, malicious damage, theft or storm claims.

The amount of the **excess** is as follows:

- if the **vehicle** is a car, 4WD, utility or van of not more than 2 tonne carrying capacity:
 - for drivers under 21 years of age – \$500;
 - for drivers 21 years of age or older – \$300;
 - for **inexperienced drivers** – \$250.
- if the **vehicle** is not a car, 4WD, utility, van of not more than 2 tonne carrying capacity - the age or **inexperienced driver excess** is \$750.

For the purposes of the age or **inexperienced driver excess**, a dolly is considered a trailer.

Tipping excess

A tipping **excess** applies if **your vehicle** is a trailer or rigid body truck and it is **damaged** while the tipping hoist is partly or fully extended. The tipping **excess** is \$1,000 and **you** pay this in addition to any other **excess** payable for **your vehicle**.

Theft excess

A theft **excess** of \$2,500 applies to each claim for theft or **damage** occasioned by theft of:

- **your** skid steer loader, excavator, loader, backhoe or bobcat; or
- any of their accessories, whether these accessories are attached to **your vehicle** at the time of the theft or **damage** or not.

You pay the theft **excess** in addition to any other **excess** for **your vehicle** that may be applicable.

Endorsement excess

An **endorsement excess** may apply if **you** have **endorsements** to **your policy**. Any **endorsement excess** applicable to **your policy** will be specified in the **endorsement** wording.

You pay the **endorsement excess** specified in the **endorsement** wording in addition to any other **excess** for **your vehicle** that may be payable.

Radius excess

A radius **excess** applies if **we** accept a claim for **loss** or **damage** to **your vehicle** or legal liability and at the time of the **event**, **your vehicle** was on a journey to or from a destination beyond the maximum radius of operation specified in **your policy schedule**, measured from **your vehicle's** garaged postcode specified in **your policy schedule**.

The radius **excess** is:

- \$500 if **your vehicle** is a truck or bus; or
- \$500 if **your vehicle** is a trailer which at the time of the **event** was being towed by a truck.

You pay the radius **excess** in addition to any other **excess** for **your vehicle** that may be payable.

Application of excess involving trailer and towing vehicle

If a trailer being towed by **your vehicle** damages the property of another person the **excess** for the towing **vehicle** will apply.

Exclusions

You are not covered under this **policy section**:

- for an **event** occurring when **your vehicle** is being driven by, or is in the charge of, someone who:
 - was under the influence of, or had their judgement affected by, any alcohol, drug or medication;
 - had more than the legal limit of alcohol in their breath, blood, urine or saliva as shown by analysis;
 - refused to take a test for alcohol, drugs or medication; or
 - was not licensed, not correctly licensed or not complying with the conditions of their licence.

However, **we** will cover **you** if **you** or one of **your** directors or a shareholder holding more than 15% of shares in **you** (in the event **you** are a company) were not the driver or person in charge of **your vehicle** at the time of the **event** and **you** can satisfy **us** that **you** did not know, and could not have reasonably known, of any of the above circumstances. If **we** pay a claim, **we** can recover and **you** agree to **us** recovering insured or uninsured losses, damages, expenses or costs from the person who was driving or in charge of **your vehicle**, unless the law prohibits recovery by **us**.

- for theft, **loss** of, or **damage** to, a hire **vehicle you** have insured with the hire company;
- for any legal liability **you** or an **authorised driver** cause or incur in connection with **your** or the **authorised driver's** use of a hire **vehicle you** have insured with the hire company;
- if **you** or an **authorised driver** does something or neglects to do something that is not in accordance with this **policy** or does not give **us** the information or assistance that **we** ask for;
- for theft, **loss** of or **damage** to **your vehicle** when anyone insured under this **policy** has not taken reasonable care or reasonable precautions to prevent **loss** or **damage**;
- **loss** or **damage** caused by confiscation or detention by a lawful authority;
- consequential **losses** (financial and non-financial **loss**) or extra costs following an **event** covered by this **policy**, such as:
 - **loss** of income or wages;
 - **loss** caused by delay;
 - lack of market or lack of any type of performance;
 - medical expenses not covered by this **policy**;
 - professional, expert, legal consulting or valuation costs unless **you** have obtained **our** prior written authority to incur

these costs;

- **loss** related to stress or anxiety;
- **loss** occurring because **you** cannot use **your vehicle**;
- reduction of **your vehicle**'s value (including its trade-in or resale value) after being repaired;
- reduction of **your vehicle**'s working life;
- **loss** or costs, including the costs of **your** time to prove **your loss** or **damage** to help **us** with **your** claim;
- travel costs or other types of costs because **you** cannot use **your vehicle**, unless expressly covered elsewhere in this **policy**;
- cleaning costs unless expressly covered elsewhere in this **policy**; or
- any costs not otherwise covered by **your policy**.

However, **we** will cover other people's **losses** and costs to the extent they are insured under Part 2.

- for **loss** of or **damage** to a drill rod or bit attached to **your vehicle** while the drill rod or bit is being used for its designed purpose. For the purposes of this exclusion, a drill rod or bit includes any part attaching to or forming part of the drill rod or bit including but not limited to pipes, guides, filters, gaskets, plugs, caps, beacon housings, tool heads, nozzles and/or any other electronic mechanism;
- for the cost to repair or replace burnt out electric motors or wiring of appliances in **your** caravan;
- for **damage** to **your** caravan, caravan annexe, trailer or personal effects caused by biting, chewing or scratching by an animal or bird;
- for **damage** to **your** caravan, caravan annexe or personal effects caused by any tenant;
- if **your** unregistered on-site caravan is unoccupied for sixty (60) consecutive days. (If **you** want cover over 60 days, **you** need to ask **us** for an extension of time and **we** must agree in writing. **We** might charge an extra premium or impose special terms.);
- for **loss** or **damage** to **your** caravan caused by the sea or rising water, but not rainwater runoff;
- for **loss** or **damage** or legal liability caused or contributed to by or arising from any biological, bacterial, viral, germ, chemical or poisonous **contaminants or pollutants** or any looting or rioting following these occurrences (except for any cover provided under Additional Benefit 1 – 'Pollution' of Part 2), or the action taken by a public authority to prevent, limit or remedy the actual or threatened release of any such materials;
- for theft by anyone who has hired or leased **your vehicle** or who has taken it as security for a debt;
- for any **loss, damage** or legal liability caused by any person or organisation who lawfully destroys or takes away **your** ownership or control of any property or **vehicle** covered under this **policy**;
- for any **loss, damage** or legal liability which happens before the **period of insurance** or which arises from an **event** before the **period of insurance** starts unless specifically stated otherwise;
- for an **event** that occurs outside Australia or its external territories;
- if the **event** that is the subject of the claim was caused intentionally, or with reckless disregard for the consequences, by **you**, any **employee**, any person who owns part of **your vehicle**, or **authorised driver** or someone acting with **your** or their express or implied consent;
- if **you** prove to **our** satisfaction that the unroadworthy or unsafe condition of **your vehicle**:
 - did not cause or contribute to the **loss, damage** or legal liability being incurred; or
 - could not reasonably have been detected by **you**;
- if, at the time of an **event**, **your vehicle** was:
 - being used in a race, contest, trial, test, hill climb or any similar activity;
 - being used on a competition race track, circuit, course or arena;
 - being used by **you** or an **authorised driver** for any type of illegal purpose;

- carrying passengers for payment or reward unless it was a car pool, child care arrangement or fare paying passenger bus;
 - carrying a greater number of passengers than it was designed for or is allowable according to law;
 - conveying, towing, lifting or carrying a load not secured according to law;
 - conveying, towing, lifting or carrying a load in excess of that which was designed for or is allowable according to law;
 - being used to move **dangerous goods** or substances that pollute or contaminate unless this was done legally;
 - travelling on railway lines; or
 - being operated, transported or driven in an underground mine or mining shaft (but **we** will cover **you** if **your vehicle** was being used for open cut mining).
- for theft of or **loss** or **damage** to **your vehicle** caused by vandalism, fire, malicious intent, storm or hail if **your vehicle** is described in **your policy schedule** as Trade Plate, Motor Trade, Driving Risk or Customers Vehicles and at the time of the theft, **loss** or **damage** occurred **your vehicle** was:
 - on any premises **you** occupy or control;
 - on any showground or exhibition ground where **your vehicle** is an exhibit; or
 - being repaired at any motor repairer or garage.
 - for **loss** or **damage** arising from breach of contract;
 - replacement of keys and locks, except to the extent covered under additional feature 'Locks and keys';
 - **loss** of **your vehicle**, or **loss** of the proceeds of sale, arising from the sale of **your vehicle**.

Worked dollar claim examples

The following worked dollar claim examples are designed to assist in the understanding of some of the benefits in this PDS and how claims are calculated. The examples do not cover all scenarios or all benefits and do not form part of your policy terms and conditions. The following should be used as a general guide only. We always determine real claim payments on an individual basis, after we have assessed each claim.

All amounts are shown in Australian dollars and are GST inclusive unless indicated otherwise. You should read the PDS and your policy schedule for full details of what we cover as well as what policy limits, conditions and exclusions apply.

Example: Total loss – Market value

A car that has a carrying capacity of not more than 2 tonne is comprehensively insured for market value. The basic excess is \$500. The vehicle is damaged in an event and we assess the cost of repair to be \$20,000. We decide it is a total loss.

The market value is determined as follows:

The vehicle is an 8 year old sedan in poor condition. A motor vehicle guide records the market value at \$20,000 for good condition. We assess the market value to be \$15,000.

How much we pay		Further information
Market value	\$15,000	The vehicle is a total loss with a market value of \$15,000. We normally decide a vehicle is a total loss if it is unsafe or uneconomical to repair (e.g. the complete repair cost exceeds the market value less salvage value).
Less Input Tax Credit (ITC)	-\$1,364	If you are registered for GST and entitled to an ITC we will deduct this entitlement. In this example you are entitled to a full ITC (100%).
Less excess	-\$500	Only the basic excess applies in this example. We deduct this from the amount we pay to you.
Less unexpired CTP insurance and registration	-\$240	We deduct the value of unexpired CTP insurance and registration which you can collect from your transport authority

Total claim	\$12,896	We would normally pay this amount directly to you in a total loss situation.
Plus lease payout	\$2,200	If, instead of owning your vehicle outright, your vehicle was purchased under a finance lease and the amount owing was \$17,200 (excluding any payments in arrears and resulting interest), we will pay the difference between the amount owing under the finance arrangement and the market value (\$17,200 - \$15,000). This benefit has a limit of 20% of the market value (\$3,000).
Less ITC	-\$200	In this example you are entitled to a full ITC (100%).
Total claim	\$14,896	We would normally pay the claim directly to your financier and not to you in circumstances of a lease payout. You pay your financier any amounts left owing.

If the vehicle in the above example was less than 2 years old at the time of the event, you can choose to accept a new vehicle of the same make and model including similar accessories and parts plus on-road costs e.g. registration, compulsory third party, pre-delivery. You must pay the excess as we direct.

If the vehicle salvage is valued at \$1,000, the salvage becomes our property and we are entitled to keep the \$1,000 from its sale.

Example: Total loss – Agreed value

A utility that has a carrying capacity of not more than 2 tonne is comprehensively insured for an agreed value of \$45,000. The vehicle is damaged in an accident that we agree was not your fault and you have identified the at fault party and provided all their details that we require.

We assess the cost of repair of your vehicle to be \$50,000. We decide it is a total loss.

The vehicle is not subject to finance. The basic excess is \$500.

How much we pay		Further information
Agreed value	\$45,000	The vehicle is a total loss with an agreed value of \$45,000. We normally decide a vehicle is a total loss if it is unsafe or uneconomical to repair (e.g. the complete repair cost exceeds the agreed value less salvage value).
Less Input Tax Credit (ITC)	\$0	We do not deduct any ITC when your vehicle is comprehensively insured for agreed value.
Less excess	\$0	No basic excess applies in this example as the accident was not your fault and you have provided all the details of the at fault party that we require.
Less unexpired CTP insurance and registration	-\$240	We deduct the value of unexpired CTP insurance and registration which you can collect from your transport authority
Total claim	\$44,760	We would normally pay this amount directly to you in a total loss situation, unless your vehicle is subject to finance.

If the vehicle salvage is valued at \$10,000, the salvage becomes our property and we are entitled to keep the \$10,000 from its sale.

Example: Partial loss – Repair

A vehicle that has a carrying capacity of not more than 2 tonne is comprehensively insured for market value. We assess the market value to be \$10,000. The basic excess is \$500.

The vehicle is stolen and subsequently recovered, damaged, 13 days later. We assess the cost of repairs to be \$5,500.

How much we pay		Further information
Damage to vehicle	\$5,500	We normally decide the vehicle is repairable if it is economical and safe to repair.
Less excess	- \$500	Only the basic excess applies in this example. We normally require you to pay the excess directly to the repairer.
Total claim	\$5,000	We would normally pay this amount directly to the repairer in a partial loss situation.

If personal effects to the value of \$350 are also stolen during the theft:

Plus personal effects	+\$350	Personal effects cover is limited to \$1,000 per event if the vehicle is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity. The sub-limit of this Extra Cover is in addition to the market value of the vehicle.
Total claim	\$5,350	We normally pay the \$350 for personal effects to you (and the remaining \$5,000 directly to the repairer).

If a hire vehicle of a similar type for a cost of \$100 per day is arranged by us:

Plus vehicle hire cost	+\$1,700	The cost per day multiplied by the number of days from the date of theft until the date the vehicle is repaired 17 x \$100 (it takes 4 days to repair the vehicle). This Extra Cover has a limit of up to 30 days and we will not pay more than \$3,000 if the vehicle is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity. This Extra Cover would not apply if the vehicle was damaged in an accident. This Extra Cover only applies if your vehicle was stolen.
Total claim	\$7,050	We normally pay the \$1,700 for vehicle hire directly to the hire company (the \$350 to you and the \$5,000 to the repairer).

Example: Legal liability

A vehicle is insured for Legal Liability Only. The vehicle is involved in an accident and the other driver claims that the driver of your vehicle has a legal liability for the accident. The damage to the other vehicle would be assessed by a court at \$12,500. There is a basic excess of \$500 on your policy. The legal costs to defend your legal liability are \$3,000.

How much we pay		Further information
Damage to other vehicle	\$12,500	We normally pay the cost of repairs directly to the third-party claimant.
Less excess	- \$500	Only the basic excess applies in this example. We normally require you to pay this amount to us before we act on your behalf.
Plus our legal costs	+\$3,000	We incur and do not charge you for these costs providing you have paid your excess prior to legal costs being incurred.
Total claim	\$15,000	

The driver of your vehicle was not at fault and the driver of the other vehicle was at fault but was not insured. You provide us with the details of the other driver. The basic excess is \$500. For the purposes of this example it is assumed that your vehicle is covered for Legal Liability Only.

'Damage by uninsured drivers' Extra Cover	\$4,500	You are not covered for damage to your vehicle because it is insured for Legal Liability Only. Under Part 2, Extra Cover 1 - 'Damage by uninsured drivers' provides limited cover in these circumstances for up to \$5,000. For the purposes of this example, we assess that the damage to your vehicle will cost more than its market value of \$4,500. We decide your vehicle is a total loss.
Less Input Tax Credit (ITC)	- \$409.09	If you are registered for GST and entitled to an ITC we will deduct this entitlement. In this example you are entitled to a full ITC (100%).
Less excess	- \$500	Only the basic excess applies in this example. We deduct this from the amount we pay you.
Less residual value of wreck	- \$500	The remaining value of your damaged vehicle. We deduct this from the amount we pay you.
Total claim	\$3,090.91	We normally pay this directly to you. You will keep the damaged vehicle.

Definitions

These words have the following meanings and apply only to this **policy** section. These defined terms prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording. **You** should also refer to the General definitions on pages 22 to 28.

Agreed value

The amount **we** agree to insure **your vehicle** for, as specified in **your policy schedule**.

Authorised driver

A person controlling, driving or using **your vehicle** with **your** consent and includes **your employee**, principal and partner of **your business**.

Contaminants or pollutants

Includes smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials, or other irritants and other Contaminants or pollutants. Contaminants or pollutants do not include **dangerous goods**.

Damage or Damaged

Sudden or unforeseen physical damage or destruction.

Damage to property

loss of or **damage** to or destruction of tangible property including resultant loss of use; or loss of use of tangible property which has not been **damaged** or destroyed provided such loss of use is caused by an **event**.

Dangerous goods

- substances which are shown in the Australian Code for the Transport of Dangerous Goods by Road or Rail;
- liquid fuels, liquefied or compressed gases, toxic chemicals, acids, organic peroxides or corrosives;
- infectious, explosive radioactive or oxidising substances; or
- substances with a flashpoint of below twenty two point seven degrees Celsius (22.7°C).

Emergency repairs

Minor repairs which are essential for **you** to be able to drive **your vehicle** safely from an accident or **event** causing **damage**.

Employee or Employees

Any person:

- engaged in **your business** under a contract of service or apprenticeship; or
- supplied to **you** pursuant to a contract of labour hire.

Endorsement

A written change or addition made to **your policy**. Any endorsements that apply to **your policy** will be specified in **your policy schedule**, unless **we** send **you** the endorsement separately.

Excess or Excesses

The amount of each and every claim that must be paid by **you**, before the application of any benefits or limits of **your policy**.

Inexperienced driver

A person who is 25 years or over and has not held a drivers licence for that class of **vehicle** being driven at the time of the **event** for the past two (2) consecutive years.

Insured amount

Means:

- for a **vehicle** specified in **your policy schedule** – the corresponding **market value** or dollar amount stated in **your policy schedule** for that **vehicle**; or
- for a **vehicle** that is not specified in **your policy schedule** (because it is an additional **vehicle** as defined in 'Cover for additional vehicles' on page 175) – the **market value** of that **vehicle** unless **we** have agreed to insure the **vehicle** for a different amount.

The **insured amount** of **your vehicle** includes accessories within the definition of **vehicle** plus any agreed accessory specified in **your policy schedule**

Loss or Losses

Sudden and unforeseen physical loss.

Market value

The amount **we** calculate the market would pay for **your vehicle**. The market value takes into account the age, make, model and condition of **your vehicle** immediately before the **loss** or **damage**. **We** might use recognised industry publications to assist **us** to calculate the amount. If **we** do so, depending on the age of **your vehicle**, **we** may also take into account the kilometres it has travelled. **We** do not include any allowance for dealer profit, warranty costs, any stamp duty or transfer fees.

Partial loss

When **we** decide at **our** option, to repair **your vehicle**, replace any part of it or reimburse **you** for the **loss** or **damage** to it. In this case, **we** will not treat **your vehicle** as a **total loss**.

Penalty claim

An **event** or claim where **we** consider **you** to be at fault, or a claim where **we** are not able to recover the costs of repairing or replacing **your vehicle**.

Personal effects

Clothing and personal belongings normally worn or carried but excluding computers, laptops, iPad and tablet devices, personal navigation equipment, jewellery of an type, unset jewels or stones, musical instruments, curios, works of art, money or payment cards.

Personal injury

Death, bodily injury, sickness, disease, disability, shock, fright, mental injury, mental anguish, or loss of consortium resulting from any of them.

Reasonable repair costs

The amount **we** will pay when **you** choose **your** own repairer taking into account:

- **your** repairer's quote with any adjustments or reduction recommendation by an experienced motor **vehicle** assessor **we** appoint;
- the limitations **we** apply when authorising repairs performed by **our recommended repairer** (see 'Choice of repairer'); and
- a quote **we** may choose to obtain from one of **our recommended repairers**.

Recommended repairer

A repairer who has been appointed by **us** as a **recommended repairer** because **we** have assessed the repairer as capable of meeting **our** strict standards of quality workmanship, timeliness, efficiency and cost effectiveness.

Road

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

Substitute vehicle

A **vehicle** which does not belong to **you** and which **you**, **your** spouse, de facto partner or an **employee** is using while **your vehicle** is not in use because **your vehicle** is unroadworthy or undergoing repair.

Total loss

When:

- **your vehicle** is stolen and not recovered within fourteen (14) days of **you** reporting its theft to **us** and **we** are satisfied that **your** claim is in order;
- **we** decide **your vehicle** is uneconomical or unsafe to repair.

Vehicle

Means:

- the **vehicle(s)** specified in **your policy schedule**; or
- an additional **vehicle** as defined in 'Cover for additional **vehicles**' on page 175.

The following accessories will also be insured if they are attached to or are in or on **your vehicle**: baby capsule/car seat – bonnet protector – built in refrigerator – bull bar – CB and/or 2 way radio – dash mats – decorative wheel trims – driving lights – fire extinguishers – fixed GPS units – fixed roof/ladder racks – floor mats – headlamp guards – mud flaps – paint protection – panel/rust protection – pin striping – decals – protective mouldings – rear louvre sunshade – registration plate covers – seat covers – side steps for a 4WD – sign writing – sound system (fitted as standard by manufacturer) – spare wheel cover – steering locks – tarpaulins – tools supplied as standard by the manufacturer or similar replacement – tow bars – weather shield – winch. It also includes other **vehicle** accessories or modifications if **we** have agreed to insure them as part of **your vehicle** and they are specified in **your policy schedule** .

For the purposes of Part 2 of this **policy** section, **vehicle** is extended to also mean:

- a trailer;
- a caravan; or
- another **vehicle** which has broken down;
- that is being towed by **your vehicle** or a **substitute vehicle** legally and not for reward; and
- a **substitute vehicle**.

Policy section 11 – Goods in transit

About this Policy section

This Policy section provides cover to **you** for **loss** of or **damage** to **goods you** sell, buy or use in **your business** when they are in **transit**. **You** have a choice of two types of cover in this Policy section. **You** may insure under either:

- Specified Perils; or
- Accidental Damage.

The option **you** choose will be shown on **your policy schedule**.

You can claim for **loss** or **damage** as described under what 'What we cover' if:

- 'Goods in Transit' is shown as insured on **your policy schedule**;
- the **loss** or **damage** to **goods** occurs during the **period of insurance**;
- the **loss** or **damage** is not excluded by any of the exclusions under what 'What we exclude'; and
- the **loss** or **damage** is not excluded by any of the General exclusions on pages 20 to 22.

What we cover	What we exclude
<p>We cover you for loss of, or damage to, goods during the period of insurance when they are in transit and you have selected either:</p> <p>(a) Option A - Specified perils; or</p> <p>(b) Option B - Accidental damage.</p> <p>Specified perils</p> <p>Where Option A – Specified perils is shown on your policy schedule, we will cover you for loss of, or damage to, the goods during transit, directly caused by any of the following insured events occurring during the period of insurance:</p> <ul style="list-style-type: none">(i) fire;(ii) explosion;(iii) lightning;(iv) flood;(v) collision of the conveying vehicle with any external object other than the road, gutter, or similar surrounding surfaces;(vi) overturning, jack-knifing or derailment of the land conveyance;(vii) impact of the goods with something that is not on or part of the conveying vehicle provided the loss of, or damage to, the goods is caused by insured events (i) to (vi) listed above;(viii) theft or attempted theft from a locked and unattended transporting vehicle following forcible and violent entry which causes visible damage to the transporting vehicle;	<p>Whether you choose Option A - Specified perils or Option B - Accidental damage, this Policy section will not cover you for:</p> <ul style="list-style-type: none">(a) loss or damage that existed or occurred prior to the commencement of the transit;(b) loss or damage caused by dismantling, erection, commissioning, testing or storage other than in the ordinary course of transit;(c) loss of, or damage to, goods directly or indirectly as a result of mechanical, electrical or electronic breakdown or malfunction where there is no external evidence of damage in transit from an insured event specified under Option A – Specified perils cover or Option B - Accidental damage cover;(d) delay, loss of market or consequential loss or damage including loss of profits;(e) loss of, or damage to, livestock;(f) loss or damage caused directly or indirectly by the un-roadworthy condition of the conveying vehicle if it is owned by you;(g) confiscation or disappearances by Customs or any lawful authority;(h) unexplained inventory shortage, disappearance resulting from clerical errors, or shortage in the supply or delivery of materials; or(i) loss or damage caused directly or indirectly by:<ul style="list-style-type: none">(i) rust, oxidisation, discolouration, mildew, moths, mould, vermin or insects;(ii) heating, sweating or any variation in temperature;

What we cover (cont.)	What we exclude (cont.)
(ix) collision, crashing or forced landing of the conveying aircraft ;	(iii) the inherent nature of the goods ;
(x) jettison, washing overboard and loss or damage incurred in time of peril; or	(iv) ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear; or
(xi) war or warlike activities, which means invasion, acts of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or civil strife following any of these.	(v) scratching, denting, chipping, cracking or breakage of glass or any fragile items.

Accidental damage

Where Option B – Accidental damage is shown on **your policy schedule**, we will cover **you** for **loss** of, or **damage** to, the **goods** in **transit**, including **loading** and **unloading**, directly caused by any of the following **insured events** occurring during the **period of insurance**:

- (i) **accidental loss** of, or **damage** to, the **goods** during **transit**;
- (ii) acts of strikers, locked-out workers or persons taking part in labour disturbances, riots or civil commotions;
- (iii) malicious acts of persons, unless caused or directed by **you**;
- (iv) insufficiency or unsuitability of packing or preparation of the **goods**, unless such was caused, directed or agreed by **you**; or
- (v) unexpected deterioration of **temperature controlled goods**.

If the **transit** is interrupted or terminated due to the insolvency or financial default of the carrier, whether or not **loss** or **damage** is caused to the **goods**, we will pay the extra costs of freight or storage to forward the **goods** to their intended destination, or to return the **goods** to the place from which they were dispatched, up to a maximum of 10% of the **insured amount** of the **goods**.

Extra covers

If we agree to pay a claim under this Policy section for **loss** of, or **damage** to, **goods** in **transit**, we will also pay or provide the Extra covers set out below. Any amounts payable under these Extra covers are in addition to the **insured amount**.

1. Air freight of replacement parts

What we cover

We will cover **you** for the cost of sending replacement parts from suppliers to the original destination by air freight, even if the original **transit** was not by air freight.

The most we will cover **you** for under this Extra cover for each **event** is \$10,000.

2. Clean up costs

What we cover

We will cover **you** for the clean up and disposal costs at any accident site, where **you** are legally or contractually obliged to pay those costs.

The most **we** will cover **you** for under this Extra cover for each **event** is \$25,000.

3. Transport and disposal costs

What we cover

We will cover **you** for the reasonable costs and expenses incurred in cleaning up or decontaminating **your premises** following the delivery or return of salvaged **goods**, plus the cost of transport and disposal costs to remove those **goods**.

The most **we** will cover **you** for under this Extra cover for each **event** is \$25,000.

4. Freight and salvage charges

What we cover

We will cover **you** for any additional freight or salvage charges that **you** are required to pay to remove **your goods** from any accident site, including the cost of transport to forward the **goods** to their intended destination or to return the **goods** to the place from which they were dispatched.

The most **we** will cover **you** for under this Extra cover for each **event** is \$10,000.

5. Minimisation costs

What we cover

We will cover **you** for the reasonable costs incurred to avoid or minimise any further **loss** of, or **damage** to, the **goods**.

The most **we** will cover **you** for under this Extra cover for each **event** is \$10,000.

6. General average and salvage contribution

What we cover

We will cover **you** for general average and/or salvage contribution that **you** are required to pay under any Bill of Lading or similar document if the **transit** is by sea.

Additional benefit

We will also provide the following Additional benefit in this Policy section subject to the General exclusions and all the terms, conditions and exclusions and any **endorsement** that apply to this Policy section.

Any amount payable under this Additional benefit does not apply in addition to the **insured amount** shown on **your policy schedule** for this Policy section.

1. Buyer and seller protection

What we cover

We cover **you** for the **loss** of, or **damage** to, **goods** if, as a buyer or seller, **you** retain a contingent financial interest in the **goods** in **transit**, and provided that:

- (a) the **goods** are **lost** or **damaged** during the **period of insurance**;
 - (b) the **loss** or **damage** to the **goods** is caused by one or more **insured events** covered by **your policy** under this Policy section;
 - (c) the other party under the terms of sale is legally liable to pay **you** for the **goods** or for the **loss** or **damage**, but fails to do so;
 - (d) **you** have taken all reasonable steps to safeguard the **goods** and to recover payment from the other party; and
 - (e) **you** have not disclosed to any party interested in the **goods** the existence of this cover.
-

Settlement conditions

What we pay for loss of, or damage to, goods covered under this Policy section:

For **loss** of, or **damage** to, plant, machinery, computers and the like up to five years old, **we** will pay, at **our** option:

- (a) the cost of repairing or reinstating the **goods** to a condition equal to but no better or more extensive than that when new (including the reasonable costs of any necessary overtime);
- (b) in the case of a purchase or sale, the purchase or sale price plus the cost of packing and transport; or
- (c) in the case of movement of return **goods** (inwards or outwards), **stock** transfers, and movement of **goods** other than for the reason of purchase or sale, the new replacement cost or, if not available, as near as possible to the same make, model and specifications as is available, whichever is less.

For **loss** of, or **damage** to, plant, machinery, computers and the like more than five years old, **we** will pay, at **our** option:

- (a) the cost of repairing or reinstating the **goods** to a condition equal to but no better or more extensive than its condition immediately prior to the **loss** or **damage** (including the reasonable cost of any necessary overtime);
- (b) in the case of a purchase or sale, the purchase or sale price plus the cost of packing and transport; or
- (c) in the case of movement of return **goods** (inwards or outwards), **stock** transfers, and movements of **goods** other than for the reason of purchase or sale, **we** will pay the written down book value in **your** books of account or the current market value, whichever is less.

For **loss** of, or **damage** to, **goods** other than plant, machinery, computers and the like, **we** will pay, at **our** option, the lesser of:

- (a) the cost of repairing or reinstating the **goods** to a condition equal to but no better or more extensive than its condition immediately prior to the **loss** or **damage** (including the reasonable cost of any necessary overtime); or
- (b) the invoice value covering the **goods** while in **transit** (including freight if separately invoiced to the receiver of the **goods**), or if there is no invoice value, the cost of replacing the **goods** with goods of the same age and condition, or as near as possible to that age and condition.

What we pay for loss of, or damage to, temperature controlled goods covered under this Policy section:

For **loss** of, or **damage** to, **temperature controlled goods** other than plant, machinery, computers and the like, **we** will pay the lesser of:

- (a) the cost to re-condition the **goods** (including the reasonable costs of any necessary overtime); or
- (b) the invoice value covering the **goods** while in **transit** (including freight if separately invoiced to the receiver of the **goods**), or if there is no invoice value, the cost of replacing the **goods** with similar goods of the same quality or as near as possible to that quality, whichever is less.

Brands and labels

For any **damaged goods** bearing identifying brands or labels or other permanent markings, the **goods** may be retained by **you** to dispose of as **you** see fit, provided a reasonable allowance is agreed for the value of the **goods** and this allowance is deducted from the claim settlement. Where only the labels or packaging are affected, **we** will pay **you** only the costs to recondition or replace those labels or packaging.

Limits to what we pay

The most **we** will pay for the following covered under this Policy section is:

- (a) all **goods** in any one **conveyance** is the **insured amount** shown on the **policy schedule** for this Policy section.
- (b) trade samples in **transit** in **your** or **your employee's** care, custody and control, is \$10,000 for any one claim or series of claims arising from any one **event**.
- (c) shipping containers in **your** care, custody or control to the extent that **you** are legally liable to pay for any **loss** or **damage** to them is \$20,000.

The limits shown on the **policy schedule** and the Extra cover limits referred to in this Policy section apply to any one claim or series of claims arising from any one **event**.

Excess

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

Definitions

These words have the following meanings and apply only to this Policy section. These defined terms prevail over any other meaning given to them in other parts of this **PDS** and Policy Wording. **You** should also refer to the General definitions on pages 22 to 28.

Conveyance

Any ship, vessel, **aircraft**, postal service (except in the case of **temperature controlled goods**), rail or road vehicle used to transport the **goods**.

Goods

Any of the following that **you** sell, buy or use in **your business** :

- (a) **temperature controlled goods** if shown on the **policy schedule**;
- (b) trade samples;
- (c) return goods;
- (d) **stock** transfers;
- (e) retail and sales packaging;
- (f) **customer goods your business** intends to or has repaired, serviced or maintained; or
- (g) shipping containers in **your** care, custody or control.

Goods do not include:

- (a) **money**, deeds, securities, bonds, bills of exchange;
- (b) livestock;

- (c) antiques;
- (d) explosives, or any oxidising or radio-active substances or liquid fuel, liquid gas, toxic chemicals, corrosive acids, compressed gases, organic peroxides;
- (e) jewellery, precious metals or stones, bullion or furs unless these items form part of your normal **stock**;
- (f) **aircraft**, aerial devices, **watercraft**, **hovercraft** or **vehicles** registered for **road** use;
- (g) **your** directors' or **employees'** tools of trade or **personal effects**; or
- (h) cigarettes, tobacco, wines, spirits or other alcoholic beverages.

Insured events

The events listed on pages 203 to 204 for Option A - Specified perils or Option B - Accidental damage, whichever is shown on **your policy schedule**

Loading

The period commencing from the time the **goods** are lifted from the ground or loading dock immediately adjacent to the **conveyance** and ending when the **goods** are placed on the **conveyance**.

Temperature controlled goods

Goods belonging to **you** that require a controlled temperature environment for **transit**.

Transit

The transportation of **goods** by a **conveyance** within Australia.

Transit does not include any period of storage other than in the ordinary course of transit.

Each transit commences at **loading**.

Each transit terminates when:

- (a) each item of **goods** are delivered to the buyer's premises or other final warehouse or place of storage; or
- (b) 48 hours after **unloading** from the final **conveyance**,

whichever occurs first.

If the **goods** are being delivered to **you** for the purpose of servicing, maintenance or repair as part of **your business**, then the transit will terminate when each item of **goods** is delivered to **your** premises.

If the **goods** are being delivered to any exhibition or display (other than at premises **you** control or own), then the transit will terminate when each item of **goods** is **unloaded** at the exhibition or display. Where the **goods** are being returned to **you** from any exhibition or display, the transit will terminate when each item of **goods** is **unloaded** at **your** premises.

For **temperature controlled goods**, the transit terminates when each item of **goods** is delivered to the intended destination either in the receiver's premises or such other place as the receiver may instruct, whichever occurs first.

Unloading

The period commencing from the time the **goods** are lifted from the **conveyance** and ending when the **goods** are placed on the ground or loading dock immediately adjacent to the **conveyance**.

Part 5: Privacy statement

AAI Limited trading as AAMI Business Insurance is the insurer and issuer of your insurance product, and is a member of the Suncorp Group, which we'll refer to simply as "the Group".

Why do we collect personal information?

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

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

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

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

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

How we handle your personal information

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

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

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

- other companies within the Group and other trading divisions or departments within the same company (please see **our** Group Privacy Policy for a list of brands/companies);
- any of **our** Group joint ventures where authorised or required;
- customer, product, business or strategic research and development organisations;
- data warehouse, strategic learning organisations, data partners, analytic consultants;
- social media and other virtual communities and networks where people create, share or exchange information;
- publicly available sources of information;

- clubs, associations, member loyalty or rewards programs and other industry relevant organisations;
- a third party that **we**'ve contracted to provide financial services, financial products or administrative services – for example:
 - information technology providers,
 - administration or business management services, consultancy firms, auditors and business management consultants,
 - marketing agencies and other marketing service providers,
 - claims management service providers,
 - print/mail/digital service providers, and
 - imaging and document management services;
- any intermediaries, including **your** agent, adviser, a broker, representative or person acting on **your** behalf, other Australian Financial Services Licensee or **our** authorised representatives, advisers and **our** agents;
- a third party claimant or witnesses in a claim;
- accounting or finance professionals and advisers;
- government, statutory, or regulatory bodies and enforcement bodies;
- policy or product holders or others who are authorised or noted on the policy as having a legal interest, including where **you** are an insured person but not the policy or product holder;
- in the case of a relationship with a corporate partner such as a bank or a credit union, the corporate partner and any new incoming insurer;
- the Financial Ombudsman Service or any other external dispute resolution body;
- credit reporting agencies;
- other insurers, reinsurers, insurance investigators and claims or insurance reference services, loss assessors, financiers;
- legal and any other professional advisers or consultants;
- hospitals and, medical, health or wellbeing professionals;
- debt collection agencies;
- any other organisation or person, where **you**'ve asked them to provide **your** personal information to **us** or asked **us** to obtain personal information from them, eg **your** mother.

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

Overseas disclosure

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

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

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

Your personal information and our marketing practices

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

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

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

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

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

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

Contact us

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

- Visit www.aami.com.au/privacy
- Speak to us directly by phoning one of our Sales & Service Consultants on: 13 22 44 or
- Email us at claims@aami.com.au

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We're here for you
24 hours a day
7 days a week

How to contact us

by phone: **13 22 44**

via the internet: **aami.com.au**

in writing: PO Box 14180,
Melbourne City Mail Centre
Victoria 8001

This insurance is issued by:

AAI Limited
ABN 48 005 297 807
AFSL No. 230859 trading as AAMI

PDS prepared on 12 July 2017

