



BUSINESS INSURANCE POLICY

Product Disclosure Statement
and Policy Wording



LUCKY YOU'RE WITH
AAMI



Claims made and notified basis of cover

This notice is in relation to Policy Section 7 – Management liability only and does not form part of the PDS or policy.

Policy Section 7 – Management liability (excluding Optional Cover 1 – Employee Dishonesty) is issued on a “claims made and notified” basis. This means that Policy Section 7 – Management liability (excluding Optional Cover 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, or did not notify us, 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.

Section 40(3) of the Insurance Contracts Act 1984 may apply to any written notification of facts. The facts that you may decide to notify within the period of insurance 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 may 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 facts that may give rise to a claim against you can be made under Policy Section 7 – Management liability of the expired policy, even though the facts giving rise to the claim against you may have occurred during the period of insurance.

If you notify a claim first made against you during the period of insurance under this Policy Section, after the period of insurance expires, our liability may be reduced by an amount that fairly represents the extent to which our interests were prejudiced as a result of your delay in notifying us of the claim as soon as reasonably practicable within the period of insurance.

Exceptions to this are Additional Benefit 12 – Retired directors and officers and Additional Benefit 13 – Automatic discovery period of Policy Section 7 – Management liability, under which some cover for new notification of claims or facts is available. Please refer to page 117 for details of these Additional Benefits and when they apply.

Business Insurance Policy

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Welcome to AAMI Business Insurance

More than 60,000 business owners across Australia trust AAMI for affordable, effective Business Insurance protection.

We offer customised packages, competitive rates and 24/7 claims support. And we give you the option to pay by the month, at no additional cost.

For reliable cover when the unexpected happens, choose AAMI Business Insurance. Our value and service set us apart.

AAMI is a member of the Suncorp Group.

Who is the insurer?

AAI Limited ABN 48 005 297 807 AFSL 230859 trading as AAMI Business Insurance is the insurer and issuer of this product.

How to contact us

You may contact **us** by:

- Phone **us** on: 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 Covers (in some Policy Sections referred to as Optional Insurance) 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**.

About this Product Disclosure Statement and Policy Wording

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

- a **home building** under Policy Section 1 - Property damage, Policy Section 2 - Theft or Policy Section 3 – Glass; or
- **vehicles** (not exceeding 2 tonnes) under Policy Section 11 – 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, including how to contact **us** if **you** have a 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 11 – Commercial motor; or a **home building** under Policy Section 1 – Property damage, Policy Section 2 - Theft or Policy Section 3 – Glass; and **you** are an individual or a small business.
- Part 4 contains **your** AAMI Business Insurance Policy Wording. It applies to all persons who take out this insurance.
- Part 5 contains **our** privacy statement.

To understand the terms and conditions of **your policy**, **you** must read 'About your insurance policy' and Parts 1, 2 and 4 of the **PDS** and Policy Wording.

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

Communicating with you electronically

We may send **your policy** documents and **policy** related communications electronically. This will be by email and/or other types of electronic communication (e.g. SMS). **We** will obtain **your** express or inferred consent to do so.

Each electronic communication will be deemed to be received by **you** at the time it leaves **our** information system.

Part 1: Policy summary

The AAMI Business 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 'Insuring Clause – What we cover' and 'What we exclude' in the relevant Policy Section.

Cover type	Summary of covers (see relevant Policy Section for details, relevant limits, specific terms and conditions and exclusions that apply)
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 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 – Glass	This Policy Section provides cover for glass at your premises (including internal glass, external glass and sanitary fittings) and provides an Extra Cover and Additional Benefit.
Policy Section 4 – Money	This Policy Section 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 5 – Back in Business	This Policy Section provides cover for a reduction in your business revenue arising from interruption of your business by damage caused by specified Insured Events. Extra Covers are also provided.
Policy Section 6 – Public and products liability	This Policy Section provides cover for your legal liability for personal injury to another person (other than employees), property damage to property owned or controlled by someone else, or advertising liability .
Policy Section 7 – Management liability	This Policy Section provides cover for the management liability of you, your directors, officers and employees .
Policy Section 8 – 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 9 – 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 .
Policy Section 10 – Tax Probe	This Policy Section provides cover for the professional fees incurred in connection with a tax audit of the business's tax affairs by an authority authorised to do so; for example, the Australian Taxation Office.
Policy Section 11 – 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 12 – Goods in transit	This Policy Section provides cover for loss of, or damage caused to, goods you sell, buy or use in your business when they are in transit . You have a choice of two types of cover in this Policy Section: Option A – Specified perils and Option B – Accidental damage.

Optional Cover

This **PDS** has a number of Optional Covers which, for an additional premium and subject to any conditions that apply, **you** can choose to include in **your policy**. If included these will be shown on **your policy schedule**.

When **we** send **your** renewal offer, it will usually include **your** previously selected Optional Cover. Contact **us** to remove or add any Optional Cover.

Part 2: Your rights and responsibilities

This part applies to all Policy Sections of **your PDS** and Policy Wording. All policyholders need to read this Part 2.

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.

Cooling off period

You have the right to return the **policy** or a Policy Section of the **policy** by notifying **us** in writing within thirty (30) days of the date it was issued to **you** ("cooling off period") unless **you** have a claim under the **policy** or that Policy Section within the cooling off period. If **you** return **your policy** or remove a Policy Section during the cooling off period, **we** will return the amount **you** have paid (including GST if applicable) for the **policy** or that Policy Section.

In addition, if **you** vary **your policy** and add a Policy Section **you** have the right to remove that Policy Section within thirty (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** remove the added Policy Section during the additional cooling off period, **we** will return the amount **you** have paid (including GST if applicable) for that Policy Section.

To cancel at other times please see "Cancellation" below.

Cancellation

How you may cancel

You can cancel **your policy** at any time. **You** can specify a future date from which **you** would like to cancel **your policy**. If **you** do not specify a date then 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** (including GST if applicable) less any non-refundable government charges provided the refund is more than \$10 (GST inclusive). 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 due and payable.

How we may cancel

We can cancel **your policy** when the law allows **us** to. If **we** cancel **your policy** **we** will refund the proportion of **your** premium for the unexpired **period of insurance** (including GST if applicable) less any non-refundable government charges provided the refund is more than \$10 (GST inclusive). If **we** cancel **your policy** due to fraud, **we** will not refund any money to **you**.

If **we** pay out a claim for the full **insured amount** of **your building**, whether by reinstatement or replacement or by a payment to **you**, that cover ends. Any Policy Section, Extra Cover, Additional Benefit or Optional Cover for that cover also ends.

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

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

The amount of your premium

The premium is the amount **you** pay **us** for this insurance. It includes stamp duty, Goods and Services Tax (GST) and any other government charge or levy that applies. **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** might also advertise special short term offers and benefits from time to time.

Paying your premiums

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

You must pay the premium by the due date.

For the first **period of insurance**, if **you** do not pay the premium owing by the due date, **we** can cancel **your policy**.

For renewals of policies paid annually, if **you** do not pay **your** premium by the due date, then **you** have no cover from the due date.

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

Paying by monthly instalments

If **you** pay **your** premium by monthly instalments and a monthly instalment is overdue, **we** will let **you** know and **we** can cancel **your policy**:

- a monthly instalment is overdue, **we** will let **you** know and **we** can cancel **your policy**;
- by giving **you** at least fourteen (14) days advance notice; or
- without advance notice, once an instalment is one (1) month (or more) overdue.

If **you** pay **your** premium by monthly instalments and **your** payment is overdue, **we** can refuse to pay a claim if **your** payment is fourteen (14) days (or more) late.

Retroactive date and exclusions of prior acts

A retroactive date applies to Policy Section 7 – Management liability. This means that it does not cover **loss** resulting from any **wrongful act** occurring or committed prior to the retroactive date specified in **your policy schedule**. Policy Section 7 also excludes cover for any **wrongful act** occurring or committed by a **subsidiary** or its directors, officers or employees prior to its acquisition or creation by **you**.

Excess

This is the amount **you** have to pay if **you** make a claim under **your policy**. The amount and type of **excess** that applies to **your policy** is shown either in Part 4: Your AAMI Business Insurance Policy of this **PDS** and Policy Wording or on **your policy schedule**.

For some types of cover, Extra Cover or, Additional Benefit, the **excess** that applies may be higher than, or in addition to, the one shown in **your policy schedule**. If this is the case this will be stated in the applicable Policy Section.

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**.

Fraudulent claims

If **you**, or anyone **you** authorise to act on **your** behalf, or with **your** knowledge or consent, 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**.

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.

How to contact us with a complaint

If **you** experience a problem, are not satisfied with **our** products or services or a decision **we** have made, please let **us** know so that **we** can help. Contact **us**:

By phone: 13 22 44

By email: aami@aami.com.au

Complaints can usually be resolved on the spot or within five (5) business days.

If **we** are not able to resolve **your** complaint or **you** would prefer not to contact the people who provided **your** initial service, **our** Customer Relations team can assist:

- Telephone: 1300 240 437
- Mail: AAMI Customer Relations Team
PO Box 14180
Melbourne City Mail Centre
Victoria 8001
- Email: idr@aami.com.au

Customer Relations will contact **you** if they require additional information or if they have reached a decision.

Seek review by an external service

We expect **our** procedures will deal fairly and promptly with **your** complaint. However, if **you** remain dissatisfied, **you** may be able to access the services of the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers. Any determination AFCA makes is binding on **us**, provided **you** also accept the determination. **You** do not have to accept their determination and **you** have the option of seeking remedies elsewhere.

AFCA has authority to hear certain complaints. Contact AFCA to confirm if they can assist **you**. **You** can contact AFCA:

By phone: 1800 931 678

By email: info@afca.org.au

In writing: Australian Financial Complaints Authority,
GPO Box 3, Melbourne VIC 3001

By visiting: www.afca.org.au

Other information

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

The premium will include an amount of GST.

You must tell **us** about the **input tax credit** (ITC) **you** are entitled to for **your** premium and **your** claim, each time **you** make a claim. If **you** do not give **us** this information or if **you** tell **us** an incorrect ITC, **we** will not pay any GST liability **you** incur.

If a **vehicle** is a **total loss** **we** will reduce any payment **we** make by an amount equal to **your** ITC entitlement, if any (unless **your policy** states otherwise).

Our liability to **you** will be calculated taking into account any ITC to which **you** are entitled for any acquisition which is relevant to **your** claim, or to which **you** would have been entitled had **you** made a relevant acquisition.

In respect of **your policy**, where **you** are registered for GST purposes **you** should calculate the **insured amount** or **limit of liability** having regard to **your** entitlement to **input tax credits**. **You** should, therefore, consider the net amount (after all **input tax credits**) which is to be insured and determine an **insured amount** or **limit of liability** 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** circumstances.

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

Financial Claims Scheme

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

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

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

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

General Insurance Code of Practice

We are a signatory to the General Insurance Code of Practice. **You** can get a copy of the Code from the Insurance Council of Australia website (www.insurancecouncil.com.au) or by phoning (02) 9253 5100 or 1300 728 228.

Terrorism Insurance Act 2003

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

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

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

Updating information

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

You can obtain a copy of any updated information by contacting **us** on 13 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 PDS** or replacement **PDS** which **we** will give **you**.

Part 3: Information for some policyholders

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

(a) a **home building**, under Policy Section 1 – Property damage, Policy Section 2 – Theft or Policy Section 3 – Glass,

- (i) A **home building** is a building which is used or intended to be used principally and primarily as a place of residence.
- (ii) An example of what is considered a **home building** is where the building is a commercial premise, but **you** may also live in the building, or **you** rent part of the building for residential use.
- (iii) If the building is only used by **you** for residential purposes, it cannot be insured under this product.

(b) **vehicles** (not exceeding 2 tonnes) under Policy Section 11 – 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.

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

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

The premium is the amount **you** pay **us** for this insurance and is shown on **your policy schedule**. Premiums include applicable Commonwealth and State Taxes, charges and levies. The amount of these taxes, charges and levies will be shown on **your policy schedule**.

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

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

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

Factor	Lowers premium	Increases premium
Insured amount	Lower insured amount	Higher insured amount
Postcode	Low risk postcode	High risk postcode
Optional cover	None taken	One or more taken
Claims experience	Low claims experience	High claims experience
Voluntary excess	Higher	Lower
Occupation	Low risk occupation	High risk occupation
Location	Low risk location	High risk location
Number of premises	Fewer premises	More premises
Building materials	More fire resistant materials	Less fire resistant materials
Endorsements	Reduces our risk or your cover	Increases our risk or your cover
Our expenses of doing business	Low expenses	High expenses

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

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

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

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

Policy Section 11 (vehicles) Protected No Claim Bonus Optional Insurance

Under Policy Section 11 – Commercial Motor **you** may qualify for Protected No claim bonus Optional Insurance if **you** are entitled to a maximum No claim bonus. It costs extra to protect **your** No claim bonus. **We** can give **you** a price with and without the optional No claim bonus protection to help **you** decide whether the option suits **your** needs.

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 the premium **you** pay is also affected by other things including:

- the cost of claims **we** have paid to other customers;
- the cost of 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

The discounts **you** qualify for will be included in **your** premium and applied before adding applicable government charges. 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 174 to 176 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, however, changes will not affect the premium for an existing **policy** during its current **period of insurance**.

Your excess

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** and Policy Wording or in **your policy schedule**. In some Policy Sections an additional or higher **excess** than the one shown in **your policy schedule** may apply to specific covers, Extra Covers, Additional Benefits or Optional Insurances. Any such additional or higher **excesses** will be detailed in the **Policy**.

Policy Sections 1, 2 and 3: Excesses

The amount of the **excess** applying to Policy Section 1 – Property damage, Policy Section 2 – Theft and Policy Section 3 – Glass is shown on **your policy schedule** or specified in the relevant Policy Section. **We** take into consideration a number of factors when setting the amount of **your excess**, such as:

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

Policy Section 11: Excesses

There are a number of **excesses** which apply to Policy Section 11 – Commercial motor. The amount of each **excess** (other than the basic **excess**) is specified in Policy Section 11. 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 Extra Covers, Additional Benefits and **endorsements** that apply to **your policy**.

Information about the **excesses** applicable to Policy Section 1, 2, 3 and 11 and when **you** are required to pay one or more **excesses** or a when a higher **excess** applies can be found in General Claim Condition 11 "Paying **your excess**" on pages 21 to 22 and as follows:

For Policy Section 1 – Property damage	on page 34
For Policy Section 2 – Theft	on page 60
For Policy Section 3 – Glass	on page 70
For Policy Section 11 – Commercial motor	on page 157

Part 4: Your AAMI Business Insurance Policy

Important information

1. Your policy

Your policy is a legal contract between **you** and **us**. The contract is based on the information **you** gave **us** when **you** applied for the insurance and any subsequent information which **you** have supplied. Based upon the information provided by **you** and subject to the premium being paid, **we** agree to insure **you** during the **period of insurance**.

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

Your policy is made up of this **PDS** and Policy Wording, any applicable **SPDS**, the **policy schedule** and any **endorsements**. These should be read and kept together. **We** will provide cover under those Policy Sections that are shown on **your policy schedule** and for those Optional Covers that are shown on the **policy schedule**.

2. Who is insured?

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

3. 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**.

You should ensure that the **insured amount**, **limits of liability** and sub-limits that apply to this **policy** are adequate for **your** needs. If **you** do not select adequate amounts to insure then **you** may have to bear any uninsured losses **yourself**.

Limits of certain Additional Benefits and Extra Covers

The sub-limits of some of the Additional Benefits and Extra Covers in this **policy** are expressed as a percentage of an **insured amount**. This means that if the underlying **insured amount** is inadequate then the amount of cover provided under the Additional Benefits or Extra Cover may also be inadequate for **your** needs.

Underinsurance

In addition, Policy Sections 1 – Property damage, 5 – Back in Business and 11 – Commercial motor each contains an underinsurance condition that can result in the amount **we** pay **you** being reduced because **you** did not adequately insure. The following table sets out the items to which these underinsurance conditions apply.

Policy Section	Item to which underinsurance condition applies	Page
Policy Section 1 – Property damage	Total declared value for all property at premises where loss or damage occurs	55
Policy Section 11 – Commercial motor	Partial loss , if vehicle type is other than a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity: amount vehicle insured for	174

4. General Provisions

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

Specific conditions, definitions and exclusions also apply to individual Policy Sections and any Extra Covers, Additional Benefits or Optional Covers in those Policy Sections.

If **you** do not comply with the General Policy Conditions, General Claims Conditions or another condition in this **policy**, **we** may:

- (a) refuse to pay a claim or reduce the amount **we** pay (to the extent to which **we** are prejudiced in respect of the claim as a result of **your** non-compliance); and/or
- (b) recover from **you** any costs and/or any monies **we** have paid; and/or
- (c) cancel **your policy**.

A reference to days in the **policy** means calendar days unless otherwise specified.

Some words used in this **policy** have special meanings. These words are in bold. The words **we** have defined are listed in either the General Definitions on pages 27 to 33 or the Definitions in the applicable Policy Section

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

5. References to legislation

A reference to any legislation or legislative provision includes any statutory modification, replacement 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).

General Policy Conditions

These conditions apply to all Policy Sections unless **we** state in a General Policy Condition that it only applies, or does not apply, to certain Policy Sections.

If **you** do not comply with these General Policy Conditions, **we** may:

- (a) refuse to pay a claim or reduce the amount **we** pay (to the extent to which **we** are prejudiced in respect of the claim as a result of **your** non-compliance); and/or
- (b) recover from **you** any costs and/or any monies **we** have paid; and/or
- (c) cancel **your 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 **you**, **your business** and **property insured**. **Your** insurance, including the amount of premium, may be affected if any of the facts or circumstances that existed at the start of the **policy** change during the **period of insurance**, including, for example:

- the nature of or type of **business** carried on by **you** or **your** tenants;
- the occupation and activities carried on by the tenants of **your buildings**;
- **you** undertake construction works or alterations;
- 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** are declared bankrupt or the **business** is wound up or carried on by an insolvency practitioner or permanently discontinued;
- **you** are convicted of a criminal offence;
- any conversion or modification to **your vehicle** made by someone other than the manufacturer;
- there is anyone under the age of 25 years who is likely to be a regular driver of the **vehicle**; and
- any detail on **your policy schedule** is no longer accurate, such as a change of **your** address, **your vehicle**, **your vehicle's** garage postcode or the way **you** use **your vehicle**.

You must notify **us** as soon as possible of any of the above changes.

If **you** have not told **us** about any of the above matters having occurred in any other **period of insurance** **you** held this **policy** with **us**, **you** must also tell **us** as soon as possible.

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 possible when these things change.

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

If **you** do not notify **us** when **you** need to **we** may refuse to pay a claim or reduce the amount **we** pay (to the extent to which **we** are prejudiced in respect of the claim as a result of **your** delay in notifying **us**).

If **we** agree to the changes **you** tell **us** about, **we** will confirm this in writing. When **you** contact **us** to inform **us** of any of these above matters occurring or having occurred, **we** may need to agree with **you** that one or more of the following changes is made in order to continue **your** cover:

- impose an additional **excess**,
- charge extra premium; or
- apply a special condition to **your policy**.

In some cases, it may lead **us** to reduce or refuse to pay a claim or mean **we** can no longer insure **you** and **we** will cancel **your policy**.

2. Take steps to reduce risk

You must take steps to ensure that **you** prevent or minimise **loss, damage** or liability by:

- maintaining **buildings**, structures, fixtures, fittings, furnishings, appliances, **machinery**, implements and plant in sound condition to minimise or avoid theft, **loss, damage** or liability;
- ensuring that only competent **employees** are employed;
- avoiding or minimising **loss** of, or **damage** to, **property insured** or other people's property or injury to other people;
- complying with all laws, statutory obligations, by-laws, regulations and public authority requirements that concern the safety of persons or property, for example workplace health and safety laws;
- obtaining certificates of inspection for all equipment required by any statute or regulations to be certified; and
- complying, at **your** expense, with all **our** recommendations to prevent or minimise theft, **loss** or **damage**.

If the **premises** are occupied by **your** tenants **you** must ensure that regular and routine inspections of the condition of the **premises** (including at tenant entry and exit) are undertaken and a record of those inspections kept (including photographs).

Further, if **you** are insuring **your vehicles** under Policy Section 11 – Commercial Motor:

You must:

- take steps to prevent or minimise **loss** of, or **damage** to, **your vehicle**, for example:
 - move **vehicles** away from rising waters including tides;
 - do not drive into water;
 - do not leave the keys in the **vehicle** whilst it is unattended or not secure;
 - obey signage displayed by local government authorities, traffic management companies and state emergency services when applicable;
 - accompany anyone test driving a vehicle when it's up for sale;
- take care to prevent or minimise injury to another person or **damage** to another person's property;
- comply with all laws, statutory obligations, by-laws, regulations and public authority requirements that concern the safe use of these **vehicles**, for example:
 - obey applicable and relevant road rules;
 - obey speed limits, warnings, signs, local directives and safety requirements;

- convey and store goods in a legal manner in or on **your vehicle**;
- load **your vehicle** in accordance with legal and safety requirements; and
- keep **vehicles** in a roadworthy condition, for example:
 - replace worn out tyres;
 - replace worn brakes;
 - fix paint including clear coats;
 - replace defective lights; and
 - repair major scratches or dents.

If **you** do not comply with this condition, **we** may refuse to pay a claim or reduce the amount **we** pay (to the extent to which **we** are prejudiced in respect of the claim as a result of **your** non-compliance).

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** (either by **you** or by **your** tenants with **your** knowledge or consent), then such goods must be stored and used in accordance with workplace health and safety laws and regulations applicable to the use and storage of hazardous or dangerous goods, of which **you** should have reasonably been aware.

You can obtain information about these laws and regulations from the workplace health and safety regulator in **your** State or Territory, for example, WorkSafe or WorkCover.

If **you** do not comply with this condition, **we** may refuse to pay a claim or reduce the amount **we** pay (to the extent to which **we** are prejudiced in respect of the claim as a result of **your** non-compliance).

This General Policy Condition is not applicable to Policy Section 2 – Theft, Policy Section 3 – Glass, Policy Section 4 – Money, Policy Section 9 – Equipment breakdown, Policy Section 10 – Tax Probe or Policy Section 12 – Goods in transit.

4. Other interests

You must tell **us** if **you** want **us** to record the interests of any third party (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 this will be shown on **your policy schedule**.

If a third party'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**.

Third party beneficiaries

All third party beneficiaries must comply with the terms and conditions of **your policy**, including without limitation, the General Claims Conditions and 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** at the **premises** does not stay unoccupied or, if **you** are the **building** owner, untenanted, for a continuous period of 60 days or more. **You** are not insured while the **building** is unoccupied for a period of 60 days or more, unless **we** agree to insure **you**.

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

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

This General Policy Condition is not applicable to Policy Section 7 – Management liability, Policy Section 10 – Tax Probe or Policy Section 12 – Goods in transit

7. 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.

8. Multiple insured parties

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

- any notice given by **us** under this **policy** to any one of **you** shown on 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**.

9. Keeping us up to date

This General Policy Condition is only applicable to Policy Section 11 – Commercial motor.

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

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

10. Governing law

The construction, interpretation and meaning of the terms of this **policy** 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.

11. If your contact details change

You must keep **your** contact details, including **your** Australian mobile number, postal address and email address up to date. If **we** do not have up to date contact details **you** might not receive **your** important policy documents which could impact whether **you** have cover in place.

12. The amount of cover

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 the **policy** premium, the **insured amounts** and **limits of liability** stated in **your policy** are exclusive of any **input tax credit** which **you** are entitled to claim (unless **your policy** states otherwise).

General Claims Conditions

These conditions apply to all Policy Sections unless **we** state in a General Claims Condition that it only applies, or does not apply, to certain Policy Sections.

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

If **you** do not comply with these General Claims Conditions, **we** may:

- (a) refuse to pay a claim or reduce the amount **we** pay (to the extent to which **we** are prejudiced in respect of the claim as a result of **your** non-compliance); and/or
- (b) recover from **you** any costs and/or any monies **we** have paid; and/or
- (c) cancel **your policy**.

1. Claim notification

You must:

- notify the police as soon as possible following a theft or attempted theft of any **property insured** or if any **property insured** is misappropriated, **lost** or maliciously **damaged**. If **we** ask **you**, give the Police a list of all stolen or damaged items that **you** are able to identify at the time of the theft or attempted theft and provide an update of this list to police once **you** have identified a complete list of stolen or **damaged** items;
- notify **us** as soon as possible and give **us** all known details of the **event**;
- as soon as possible 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 reasonable information and documentation to enable **us** to substantiate and investigate the claim that **we** request (including attending an interview or giving evidence in court as **we** may reasonably require). 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.

Where possible, after notifying the police, keep details of the date reported, name of police officer, police station reported to and the report number.

This General Claims Condition does not apply to the notification of **claims** made against **you** or facts or circumstances that could give rise to a **claim** against **you**, **financial loss** or **business crisis events** under Policy Section 7 – Management liability.

For the condition applicable to the notification of these matters under that Policy Section, refer to the Policy Section Condition 4 - Notification in that Policy Section.

2. Minimise loss

You must:

- take all reasonable precautions to minimise or prevent further **loss, damage**, liability or injury. For example, if there is a hole in the roof, arrange for it to be covered to prevent further water damage from the rain and if **your vehicle** is **damaged** in an accident, when safe to do so, move it off the road and put on **your** hazard lights;
- take all reasonable steps to recover **lost** or stolen **property insured**; and
- if **you** make a claim, also do everything to mitigate the **loss, damage**, liability or injury that **we** ask **you** to do.

If **you** are unsure about what precautions to take to minimise or prevent further **loss, damage**, liability or injury, please contact **our** claims services on 13 22 44.

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** liability or injury. If repairs are necessarily carried out without **our** prior approval, **you** are still required where reasonably practicable in the circumstances, to retain and preserve all **damaged** property for **our** inspection, unless it is unsafe to do so, in which case **you** must provide **us** with photographic evidence of the **damaged** property recording its condition prior to disposal or destruction; and
- retain and preserve all property, products, plant and all other things that may assist **us** in investigating or defending a claim against **you**, including assisting in determining if there are rights of recovery against another entity or person.

4. Proof of ownership

If **you** make a claim for **property insured** that is **lost**, stolen or **damaged**, **you** must provide reasonable proof of **your** ownership or legal responsibility for such **property insured** and evidence of its value, if **we** ask for it. This may include proof of purchase such as sales receipts, tax invoices, accounts and bank or credit card statements or **certificates of authenticity, manufacturer's box** or **original operating manual** that provide a description of the **property insured** and show the purchase price, date and location. **We** will take into account what **property insured** **you** are claiming for, how old the item is and its residual value when considering what **you** provide as proof of ownership and evidence of 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 in the circumstances discussed in General Claims Condition 15 – Rights of Recovery, on pages 22 to 23; and
- attending an interview or giving evidence in court as **we** may reasonably require.

6. Proof of fraud or dishonesty

If **your** claim is in respect of loss due to fraud or dishonesty, **you** must supply **us** with all records and documents reasonably accessible to **you** that **we** ask for 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. Notification of other insurance

In the event of a claim **you** must provide **us** with the details of any other insurance that provides cover for the claim to enable **us** to exercise **our** right to seek contribution from the insurer of that other insurance.

8. Admitting liability

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

This General Claims Condition does not apply to claims against **you** under Policy Section 7 – Management liability. Such claims are subject to the Policy Section Condition 6 - Settlement in that Policy Section.

9. Repair or replacement

You must not authorise the repair or replacement of any **property insured** without **our** agreement, except as provided for in Policy Section 11 – Commercial Motor under Extra Cover 5 – Emergency Repairs, or when reasonably necessary to prevent further **loss, damage** or injury.

10. Conduct of claims

In relation to legal liability claims **you** make under **your policy**, **we** have the right and full discretion to conduct claims. **We** may engage legal or other representatives to assist in the conduct of a claim. At all times **we** reserve the right to negotiate and settle a claim on terms **we** consider appropriate. **You** must allow **us** to make admissions, settle or defend claims made against **you** on **your** behalf.

This General Claims Condition does not apply to claims against **you** under Policy Section 7 – Management Liability. Such claims are subject to Policy Section Condition 5 - Claims Conduct and Policy Section Condition 6 - Settlement in that Policy Section.

11. Paying your excess

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

The **excess** that applies will depend on the circumstances of the claim. Some Additional Benefits and Optional Covers have their own **excess** which is 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.

When **you** make a claim there are three options for paying **your excess**:

- the applicable **excesses** may be deducted from the amount **we** pay **you** under **your** claim;

- the **excess** may be paid in some instances to the appointed repairer or supplier; or
- **you** may pay the **excess** directly to **us**.

12. Our rights of possession

Where **loss** or **damage** has occurred, **we**, **our** employees or **our** agents have the right to be given reasonable access to inspect **property insured** and, where reasonably necessary, to take possession of **property insured** or arrange for it to be delivered to **us**. The reasons when **we** need to do this include assessing or preventing further **loss** or **damage**, dealing with salvage and obtaining evidence to enable **us** to exercise **our** rights of recovery. **We** will deal with this property in a reasonable manner.

13. Claims settlements

(a) Input Tax Credit entitlement

If any **event** occurs which gives or may give rise to a claim **you** must tell **us** **your** entitlement to **input tax credits** (ITC) for **your** insurance premium and claim 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**. But **we** will pay any Extra Covers, Additional Benefits or Optional Covers that are expressed to be in addition to the **insured amount** or **limit of liability**.

An exception to this is in Policy Section 6 – Public and products liability where:

- we** will only pay those legal costs covered under 'Extra Cover 1 – Legal costs' of Policy Section 6 that were incurred by **you** with **our** permission prior to the date of payment of the **limit of liability**; and
- if a payment exceeding the **limit of liability** has to be made to dispose of a claim or legal action against **you** under Policy Section 6, **our** liability to pay legal costs covered under 'Extra Cover 1 – Legal costs' of Policy Section 6, with respect to the **occurrence**, will be limited to that proportion of those legal costs as the **limit of liability** bears to the amount paid to dispose of the claim or legal action.

Please refer to the 'Application of limit of liability to claims that exceed the limit' clause on page 105 of this **policy** for details of these provisions including an example of how the provision described in (ii) above would apply.

(d) Salvage

After settling a claim by replacing any **damaged** or **lost property insured**, if **we** so elect, that **damaged** or **lost property insured** (other than a **building**) becomes **ours** and **we** are entitled to receive the proceeds of any salvage, except to the extent **you** are not fully indemnified.

14. Claims preparation expenses

We will pay for accountant's, claims consultant's, surveyor's, architect's, engineer's and other professional fees necessarily and reasonably incurred for the preparation of a claim covered under this **policy** other than under Policy Section 5 – Back in Business, Policy Section 7 - Management liability or Policy Section 10 - Tax Probe. **We** will pay up to \$20,000 or 25% of the total amount payable under the applicable Policy Section as a result of any one (1) **event**, whichever is the less.

15. Rights of recovery

If **you** have suffered loss or damage or incurred a legal liability and **you** make a claim under this **policy** with **us** for that loss, damage or liability, then **we** have the right and **you** have permitted **us** to take action or start legal proceedings against any person or entity liable or, who would be liable to **you** for the recovery of **your** loss.

"**Your** loss" means **your** insured, underinsured or uninsured loss or damage or legal liability, costs, payments made and expenses in relation to respect to which **you** have claimed under **your policy**. Any action or legal proceeding **we** take

will be commenced either in **your** name, or in the name of any other person or entity that suffered **your** loss. **We** have full discretion over the conduct and any settlement of the recovery action.

If **you** make a claim with **us** for **your** loss and **you** have already started action or legal proceedings against any person or entity liable or, who would be liable to **you** for **your** loss, then **we** have the right and **you** have permitted **us** to take over and continue that action or legal proceeding.

Where **your** loss forms part of any class or representative action which has not been started under **our** instructions, **we** have the right and **you** permit **us** to exclude **your** loss from that class or representative action for the purpose of **us** including it in any separate legal proceedings which are or will be started under **our** instructions.

You must provide **us** with all reasonable assistance, co-operation and information in the recovery of **your** loss. This assistance may include:

- providing a more detailed version of events, which may include completing a diagram or statement/ affidavit;
- providing **us** with any documents required to prove **your** loss;
- providing copies of any available photographs or footage of the incident available;
- lodging a police report or obtaining relevant documents, such as completing and lodging an application form to obtain records from the police, fire and rescue, councils and other entities (when **we** cannot lodge one);
- attending court or meetings with **our** legal/other experts (only if required);
- providing evidence and documentation relevant to **your** claim and executing such documents, including signed statements which **we** reasonably request.

We will pay for the cost of filing the police report and relevant searches to locate the third party. **We** will cover the costs **you** incur when having to attend court up to a limit of \$250 in total per claim.

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, including opting out of any class or representative action, unless **we** have given **you our** prior written agreement. If **you** do, **we** may not cover **you** under this **policy** for **your** loss.

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

16. Subrogation agreements

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

17. Motor vehicle claims

In respect of motor claims, if **your vehicle** is involved in an incident for which **you** wish to lodge a claim under Policy Section 11 – Commercial Motor, **you** must:

- contact **our** claims services as soon as possible on 13 22 44. **We** are available 24 hours a day. **Our** staff will advise **you** whether to bring **your vehicle** to one of **our** assessing centres or take it to a repairer. **We** can help with any other arrangements necessary to get **you** back on the road as quickly as possible;
- if safe to do so:
 - obtain the full names, addresses and phone numbers of all drivers and, where possible, passengers involved and any witnesses to the **event**;
 - obtain the vehicle registration number and insurance details of all vehicles involved; and
 - if **damage** is caused to buildings and other property, obtain details of the address and the owner's name.

If due to the circumstances of the accident, **you** are unable to obtain the above information, please contact **us** on the number shown above.

- if someone has stolen, attempted to steal or maliciously **damaged your vehicle**, report it to the police as soon as possible. If **we** ask, **you** must provide **us** with the name of the police officer and police station where **you** made the report and give **us** all known details of the **event**;

- retain and preserve **your damaged vehicle** or **damaged** property for inspection by **us** or **our** agent (including a loss adjuster) prior to authorisation of repairs, unless repairs are immediately necessary for safety reasons or to minimise or prevent further **loss, damage** or **legal liability**;
- let **us** inspect and, if necessary, move **your vehicle** before repairs begin;
- if **you** carry out **emergency repairs** or choose to use **your** own repairer, when reasonably practicable and safe to do so, ensure that photographic images of the **damage** are recorded and can be provided to **us** so that **we** can establish the condition of **your vehicle** prior to the repairs. **You** are required to produce tax invoices or receipts for all costs if **we** are unable to obtain them directly from the repairer or other provider and **we** ask **you** for them;
- provide proof of **your** ownership of **your damaged vehicle** or property. Proof includes things like registration papers, sales receipts, service records, valuations, credit card statements, warranties or car log books; and
- tell **us** as soon as possible if **you** get demands, a notice of prosecution, details of any legal proceedings, inquest or similar communications from other parties involved in an **event**. If **you** delay in telling **us**, **we** may not cover any legal or other costs that result from that delay.

You must not:

- negotiate or promise anyone a payment, authorise any repairs (except emergency repairs to **your vehicle**, see page 163 for details) or dispose of any **damaged** property, unless **we** have agreed to this; or
- accept any payment (including **excess** payments) from anyone unless **we** agree first.

18. Conduct towards us

You must not behave in a way that is abusive, dangerous, hostile, improper or threatening when engaging with **us** and **our** service providers.

General Exclusions

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

1. Conflict

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

- revolution, hostilities, war or other acts of foreign enemy, war like activity (whether war is declared or not), military coup, hostile acts of sovereign or government state-sponsored entities;
- 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
- any looting or rioting following any of the events stated above.

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

2. 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.

3. Non-compliance

This **policy** does not insure **loss** or **damage** or liability caused by or as a result of **your** wilful or reckless failure to comply with any statutory obligations, by-laws, regulations or public authority requirements that concern the safety of persons or property and that apply to **your business**, for example workplace health and safety law.

However, this exclusion does not apply to the extent that **your** wilful or reckless failure to comply did not contribute to the **loss** or **damage** or liability.

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

4. 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.

5. Intentional acts

This **policy** does not insure:

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

However, this exclusion does not apply to the extent that **your** or their act or omission did not contribute to the **loss, damage** or liability.

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

6. Terrorism

This **policy** does not insure:

- personal injury, damage to property, legal liability, **loss, damage**, costs or expenses 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**, costs or expenses; or
- personal injury, damage to property, legal liability, **loss, damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any **act of terrorism**.

However, this exclusion does not apply to:

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

7. Electronic data exclusion

This **policy** does not cover:

- (a) — total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of **data**;
— error in creating, amending, entering, deleting or using **data**; or
— total or partial inability or failure to receive, send, access or use **data** for any time or at all,
from any cause whatsoever, regardless of any other contributing cause or **event** whenever it may occur.
- (b) legal liability for communication, display, distribution or publication of **data**.

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

Provided that:

- (c) where an **event** listed in paragraph (d) below (being an insured event covered in Policy Section 1 – Property damage or Policy Section 8 – Portable and valuable items of this **policy** but for this exclusion) is caused by any of the matters described in exclusion a. above, Policy Section 1 – Property damage or Policy Section 8 – Portable and valuable items, subject to all their provisions, will insure:
- **loss** of or **damage** to **property insured** directly caused by the **event**, and
 - costs arising from such **loss** or **damage** that are covered under the Extra Covers and Additional Benefits of Policy Section 1 – Property damage or Policy Section 8 – Portable and valuable items.
- (d) This exclusion does not apply where an **event** listed below caused any of the matters described in exclusion (a) above.
- (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.

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

8. Sanctions

Despite any provision of this **policy**, this **policy** does 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.

9. Communicable Disease

This **policy** does not insure any **loss, damage**, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, in connection with, or attributable to, a **communicable disease** or the fear or threat (whether actual or perceived) of a **communicable disease** regardless of any other cause or event contributing concurrently or in any other sequence thereto.

However, this exclusion does not apply to:

- Policy Section 6 – Public and products liability;
- Policy Section 7 – Management liability; or
- Policy Section 10 – Tax Probe.

When we may refuse a claim/reduce what we pay/recover costs or monies/ cancel your policy

We may refuse to pay a claim, or **we** may reduce the amount **we** pay **you** (to the extent to which **we** are prejudiced as a result of **your** non-compliance) and/or recover from **you** any costs and/or any monies **we** have paid and/or cancel **your policy**, if:

(a) **you** do not do what **your** duty of disclosure requires **you** to;

(b) **you**:

- are not truthful;
- have not given **us** full and complete details; or
- have not told **us** something when **you** should have,
when applying for the insurance, or when making a claim.

(c) **you** are paying by monthly instalments and **you** are fourteen (14) days (or more) late in paying an instalment;

(d) **you** have not complied with any of the General Claims Conditions;

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

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

(f) cover is excluded by the **policy**; or

(g) **you** are in breach of any other conditions of **your policy**.

If **you** prevent **our** right to recover from someone else or if **you** have entered into a contract or agreement which excludes or limits **your** right to recover compensation from another person who is liable to compensate **you** for any loss, damage or legal liability which is covered by this **policy**, **we** will not cover **you** under this **policy** for that loss, damage or legal liability.

General Definitions

Unless defined differently in a Policy Section, these definitions apply to all Policy Sections.

Accidental

Unexpected and unintended from **your** standpoint.

Act of terrorism

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

Air conditioner

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

Aircraft

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

Animal/Animals

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

Building/Buildings

The building or buildings at the **premises**, including:

- sheds with a concrete floor and fixed to foundations at the **premises**;
- customised and modified shipping containers or transportable buildings permanently located at the **premises** used as workshops, lunchrooms or storage which are permanently fixed to the ground with electrical or plumbing services as necessary at the **premises**;
- shipping containers in which the **stock your business** distributes is delivered to **your premises** and from which merchandise is either being loaded into, unloaded from or stored in before dispatch, provided the container doors are secured when unattended with padlocks with a security rating of 6 or above under Australian Standard 4145.4:2002 REC:2018 *Locksets, Part 4: Padlocks*, available from www.standards.org.au (or any subsequent amendment) 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 does not include land, including topsoil and fill and dams, landscaping, reservoirs or canals.

Business/Businesses

The business or businesses shown and 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.

Communicable Disease

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

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

Computer 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".

Contamination

The discharge, dispersal, release, escape of any type of **pollutants** or contaminant into or upon property, land, atmosphere or any watercourse or body of water including, but not limited to, ground water.

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 items at **your premises** that **you** have accepted responsibility to insure under a written "sale or return" consignment agreement under which **you** agree to purchase the customers' goods or items of property for an agreed price when **you** find a buyer.

Customers' goods do not include items at **your premises** under an "agency" consignment agreement under which **you** agree to sell the items on behalf of the customer as agent and where **you** make a commission on the sale.

Damage/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/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/Events

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

In Policy Section 11 – Commercial Motor it has the meaning given in that Policy Section.

Excess/Excesses

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

External glass

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

Family

Any person who is:

- **your** spouse, **your** partner or **your** de facto and lives with **you**;
- **your** parent (including legal guardians), or parent-in-law or grandparents;
- **your** children, grandchildren, brothers and sisters, including their respective spouse, partner or de facto; and
- the children, parents, parents-in-law, grandparents, grandchildren, brothers and sisters of **your** spouse, partner or de facto.

For the purpose 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

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

Hovercraft

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

Input tax credit(s)

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

Insured

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

Insured amount

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.

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**.

Limit of liability

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.

Loss/losses/lost

Sudden or unforeseen physical loss.

Machinery

Except in relation to Policy Section 9 – 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

Tangible 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), anticipated revenue or any kind of crypto-currency.

Obsolete stock

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

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.

Personal injury

- (a) bodily injury, death, sickness, disease, disability, shock, fright, mental anguish, mental injury or loss of consortium;
- (b) false arrest, false imprisonment, wrongful eviction, wrongful detention or malicious prosecution;
- (c) defamation 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.

Policy

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

Policy schedule

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

At each renewal of **your policy**, the renewal **policy schedule** becomes **your** current **policy schedule**. Updated **policy schedules** or **endorsements** may also be sent to **you** showing alterations to **your policy**.

Pollutants

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

Premises

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

Product Disclosure Statement (PDS)

PDS 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 your ownership

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

Property insured

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

Road

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

Safe or strongroom

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

A **safe** 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, 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 (1) **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 written "sale or return" consignment agreement under which **you** agree to purchase the **customers' goods** or items of property for an agreed price when **you** find a buyer.

Stock does not include **customers' goods** or items of property at **your premises** under an "agency" consignment agreement under which **you** agree to sell the **customers' goods** or items of property on behalf of the customer or owner as agent and where **you** make a commission on the 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 11 – Commercial motor, any type of machine on wheels or on caterpillar tracks (including any trailer, caravan or other apparatus attached to the machine) made or intended to be propelled other than by manual or **animal** power.

Watercraft

Anything made or intended to float or travel on or through water other than model boats. Watercraft includes **hovercraft** or air cushioned vehicles.

We/us/our

AAI Limited ABN 48 005 297 807 AFSL 230859 trading as AAMI Business Insurance.

You/your

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

Policy Section 1 – Property damage

Please note that if **you** are insuring a **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 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 'Insuring Clause – 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 pages 24 to 26.

Insuring Clause – What we cover	What we exclude
We cover loss or damage occurring during the period of insurance to buildings, contents, stock or specified items at the premises that is covered under an Insured Event clause 1 to 11 of this Policy Section. .	<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 and could not reasonably have been expected to know about the flaw, deterioration, defect or lack of maintenance. You cannot claim for repairing the deterioration or defect or the maintenance. <p>3. Extra costs or other losses</p> <p>Loss of profit or income, loss of use, loss of earning capacity, loss by caused delay, lack of performance, loss of contract, or depreciation in value or any other loss or damage that is not covered under this Policy Section.</p>

Insured Events

1. Fire

What we cover	What we exclude
We cover loss or damage caused by fire.	We will not cover loss or damage: <ul style="list-style-type: none">(a) to any stock or contents caused by:<ul style="list-style-type: none">(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 or grass fire 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	What we exclude
We cover loss or damage caused by the escape of molten material from its intended confines on, or at, the premises .	We will not cover: <ul style="list-style-type: none">(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(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 cover	What we exclude
We cover loss or damage caused by lightning or thunderbolt.	We will not cover loss or damage caused by lightning or thunderbolt unless: <ul style="list-style-type: none">(a) the Australian Government Bureau of Meteorology has a record of lightning in your area at the time of the loss or damage; or(b) a qualified repairer confirms in writing that lightning was the actual cause of the loss or damage. If you obtain the report and not us , then we will reimburse you for the cost of obtaining such record or confirmation where it is found that the loss or damage was caused by lightning or thunderbolt.

4. Explosion or implosion

What we cover	What we exclude
We cover loss or damage caused by explosion or implosion.	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	What we exclude
<p>We cover loss or damage caused by:</p> <ul style="list-style-type: none">(a) storm;(b) wind;(c) rainwater;(d) cyclones or tornadoes;(e) snow or sleet;(f) hail; and(g) 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. <p>The most we will pay in respect of any one (1) 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.</p>	<p>We will not cover:</p> <ul style="list-style-type: none">(a) loss or damage caused by:<ul style="list-style-type: none">(i) flood, unless otherwise covered by a specific endorsement;(ii) the sea, including tidal wave, tsunami, storm surge or high-water;(iii) erosion, landslide, mud slide, subsidence or any earth movement unless proved to have occurred within 72 hours of, and directly because of, a storm, cyclone or tornado and not because of erosion, structural fault or design fault;(iv) steam or condensation;(v) water seeping or percolating into the building from outside;(vi) a cyclone named by the Bureau of Meteorology where the damage occurs within 72 hours from the commencement of this policy; or(vii) water entering a building or structure as a result of structural defects, faulty design, faulty workmanship or lack of maintenance that you knew about or could reasonably have been expected to know about.(b) loss or damage to:<ul style="list-style-type: none">(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;(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	What we exclude
<p>We cover loss or damage caused directly or indirectly by:</p> <ul style="list-style-type: none">(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. <p>We will also pay:</p> <ul style="list-style-type: none">(i) up to a maximum of \$25,000 in total for any one (1) 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.	<p>We will not cover the cost of repair, replacement or rerouting of the defective part or parts of the pipe or water system that caused the loss of, or damage.</p>

7. Impact

What we cover	What we exclude
<p>We cover loss or damage caused by impact from:</p> <ul style="list-style-type: none">(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;(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.	<p>We will not cover loss or damage caused by:</p> <ul style="list-style-type: none">(a) any tree lopping or removal or demolition activity at the premises undertaken, 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.

8. Riot or civil commotion

What we cover	What we exclude
<p>We cover loss or damage caused by acts of:</p> <p>(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</p> <p>(b) any lawful authority in connection with the strike, lockout, labour disturbance or political violence.</p>	<p>We will not cover loss or damage caused by total or partial cessation of work or the retarding, interruption or cessation of any process or operation.</p>

9. Malicious acts (including by vandals and thieves)

What we cover	What we exclude
<p>We cover loss or damage caused by malicious acts, including by vandals and thieves.</p> <p>The most we will pay for malicious acts committed by your tenants in total for any one (1) period of insurance is \$10,000.</p>	<p>We will not cover any:</p> <p>(a) loss or damage caused by your family;</p> <p>(b) loss or damage caused by persons rioting or participating in civil commotion;</p> <p>(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;</p> <p>(d) loss or damage to any gaming, amusement or vending machines in an unsecured open air location or any contents or stock contained within such machines;</p> <p>(e) breakage of glass, or for the cost of replacing signwriting, ornamentation, reflective materials and burglar alarm tapes attached to broken glass; or</p> <p>(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.</p> <p>Note: Property stolen from the premises is excluded from malicious acts cover because theft cover is provided under Policy Section 2 – Theft.</p>

10. Earthquake, tsunami, subterranean fire or volcanic eruption

What we cover	What we exclude
<p>We cover loss or damage caused by:</p> <p>(a) earthquake;</p> <p>(b) tsunami;</p> <p>(c) subterranean fire;</p> <p>(d) volcanic eruption; or</p> <p>(e) fire resulting from any of the above during any period of 72 consecutive hours after the event.</p>	

11. Accidental damage

What we cover	What we exclude
<p>We will pay up to \$250,000 or the total of the insured amounts for buildings, contents, stock and specified items whichever is less for damage that is unexpected and unintended from your standpoint.</p> <p>Where your policy schedule shows that you have chosen to insure for 'Accidental Damage', the maximum we will pay for any one (1) claim is the total declared value plus the insured amount for specified items.</p>	<p>We will not cover you for:</p> <p>(a) loss or damage caused by:</p> <ul style="list-style-type: none">(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) wear and tear, gradual deterioration, scratching, marring, developing flaws, normal upkeep or any gradual cause;(iv) animals;(v) corrosion, rust, oxidation, any form of fungus, wet or dry rot, contamination or pollution, dampness of atmosphere, variation in temperature, evaporation, disease, shrinkage;(vi) change in colour, flavour, texture or finish;(vii) inherent vice or latent defect;(viii) loss of weight or exposure to light;(ix) creeping, heaving, normal settling, shrinkage, seepage, vibration, expansion in buildings, pavements, roads and car parks;(x) error or omission in design, plan, or specification, or failure of design, or failure during testing;(xi) faulty materials or workmanship;(xii) any unexplained inventory shortage or disappearance resulting from clerical or accounting errors, or shortage in the supply or delivery of materials or goods;(xiii) theft or attempted theft of property;(xiv) data processing or media failure or breakdown or malfunction of a processing system including operator error or omission;(xv) loading or unloading;(xvi) failure of the supply of water, gas, electricity or fuel;(xvii) infidelity, dishonesty, embezzlement, misappropriation, or fraud including forgery, erasure, counterfeiting by you or any employee;(xviii) erosion, subsidence, landslip or mudslide or any other earth movement;(xix) improper packing or storage;(xx) incorrect siting of buildings;

What we cover (cont.)	What we exclude (cont.)
	<ul style="list-style-type: none"> (xxi) demolitions ordered by government or public or local authorities; (xxii) any person deliberately switching off, disconnecting or load shedding the power supply; (xxiii) total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of data; (xxiv) total or partial inability or failure to receive, send, access or use data for any time or at all; or (xxv) smoke or soot.
	<p>(b) loss of, or damage to:</p> <ul style="list-style-type: none"> (i) animals or plants, unless these are items of stock; (ii) landscaping or growing crops; (iii) any electrical device (including wiring) caused by a surge in electrical current; (iv) glass or the cost of replacing sign writing, ornamentation, reflective materials and burglar alarm tapes attached to broken glass; (v) any property where the loss or damage was caused during the course of its processing or manufacture; or (vi) 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.
	<p>(c) loss or damage to property:</p> <ul style="list-style-type: none"> (i) caused by or arising out of it undergoing any process involving the application of heat; (ii) undergoing construction, erection, alteration, addition, demolition, repair or maintenance; or (iii) whilst in transit other than during the incidental movement of that property within the boundaries of the premises.

Extra Covers

If a claim for **loss** or **damage** caused by any of Insured Events 1 to 11 covered by this Policy Section, **we** will also pay or provide the Extra Covers set out below. Unless stated otherwise below, any amounts payable under these Extra Covers apply in addition to the **insured amount** shown on **your policy schedule** for this Policy Section.

1. Reinstatement

What we cover	What we exclude
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.	We will not reinstate the insured amount 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	What we exclude
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 . We will pay up to: (a) \$50,000; or (b) that portion of your "Contents" insured amount not paid out or payable in respect of the claim, whichever is the greater, for any one (1) event , under this Extra Cover.	

3. Professional fees

What we cover	What we exclude
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 . For any one (1) event , subject to Policy Section Condition 1. Underinsurance, we will pay up to: (a) \$25,000; or (b) that portion of the insured amount relating to the damaged buildings not paid out or payable in respect of the claim, whichever is the greater, for any one (1) event , under this Extra Cover.	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	What we exclude
<p>We will pay the reasonable costs of removal, storage and disposal of debris or the demolition, dismantling, shoring up, propping, underpinning or other temporary repairs incurred by you up to a maximum of \$50,000 for any one (1) event.</p> <p>In addition, if the above costs exceed \$50,000, we will pay up to the amount of total declared value not paid out or payable to cover those costs, subject to Policy Section condition 1 – Underinsurance.</p>	<p>We will not pay for the costs of removing debris if:</p> <ul style="list-style-type: none">(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 unless the debris is caused by or arising from an Insured Event specified in this Policy Section.

5. Loss of land value

What we cover	What we exclude
<p>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.</p> <p>The most we will pay under this Extra Cover is:</p> <ul style="list-style-type: none">(a) 10% of the “Building” insured amount shown on your policy schedule; or(b) \$100,000, <p>whichever is less.</p> <p>Example:</p> <p>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).</p>	

6. Mortgage discharge costs

What we cover	What we exclude
<p>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 reinstatement or replacement basis.</p> <p>We will pay up to \$30,000 for all claims covered under this Extra Cover in total in any one (1) period of insurance.</p>	

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**.

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** in the absence of the upgrade.

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.

What we exclude

8. Catastrophe inflation protection

What we cover

If a claim for **damage** to **your building** that is a direct result of a **catastrophe** is covered by this Policy Section, **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 the purposes of calculating the application of any Extra Cover, Additional Benefit or under insurance provision in this Policy Section.

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 arising as a result of **you** choosing not to rebuild the **building** (or any part of it) 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 **building**.

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.

- (b) for **contents** is:

- (i) \$100,000; or
- (ii) 20% of the applicable "Contents" **insured amount**,
whichever is less.

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.

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).

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 and a government or statutory authority requires reinstatement of the **building** to be carried out on another site, the foundations will be considered as destroyed and **we** will treat the foundation as **damaged** for the purposes of reinstatement of the **building** at the other site.

What we exclude

11. Additional costs of repairing electronic equipment

What we cover	What we exclude
<p>When we agree to pay any amount for damage to electronic equipment, we will also pay the following reasonable costs incurred by you and directly arising from the damage:</p> <ul style="list-style-type: none">(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	What we exclude
<p>We will automatically increase the "Stock" insured amount by 35% during the seasonal increase period.</p> <p>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.</p>	

13. Floating stock

What we cover	What we exclude
<p>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:</p> <ul style="list-style-type: none">(a) there are at least two (2) 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. <p>The most we will pay under this Extra Cover is the combined total of the "Stock" insured amounts for all premises.</p>	
<p>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 ninety (90) days and where we have not agreed in writing to an extended period.</p>	

14. Rewards

What we cover	What we exclude
<p>To the extent permitted by law, we will pay up to \$5,000 for any one (1) event for the reasonable cost of any reward paid by you for information which results in the:</p> <ul style="list-style-type: none">(a) apprehension; and(b) entry of judgment against, or conviction of, <p>the person(s) responsible for the loss or damage covered under this Policy Section.</p> <p>You must provide reasonable evidence that the reward has been paid.</p> <p>If the reward is covered under this Extra Cover and under Extra Cover 7 – Rewards in Policy Section 2 – Theft and / or under Extra Cover 5 – Rewards in Policy Section 4 – Money, then the maximum we will pay under all these Policy Section Extra Covers in total for any one (1) event is \$5,000.</p>	<p>We do not cover any reward paid by you:</p> <ul style="list-style-type: none">(a) to your directors or officers, any employee or partner of your business, your tenant, or your family; or(b) for information already held by or provided to us or any law enforcement authority.

15. Forensic cleaning expenses

What we cover	What we exclude
<p>We will pay the costs of forensic cleaning to the premises following an unintended and unexpected event which occurs at the premises during the period of insurance.</p> <p>The most we will pay under this Extra Cover in total for all claims in any one (1) period of insurance is \$2,000.</p> <p>If the costs are covered under this Extra Cover and under Extra Cover 4 – Removal of debris and temporary repairs in this Policy Section, then the maximum we will pay under both these Policy Section Extra Covers in total for any one (1) event is the amount payable under Extra Cover 4 – Removal of debris and temporary repairs.</p>	<p>We will not pay for any forensic cleaning costs that are associated with any of the following:</p> <ul style="list-style-type: none">(a) methamphetamine laboratory contamination;(b) storm, flood or sewage backup;(c) graffiti;(d) human decomposition;(e) bird or rodent droppings (hantavirus/histoplasmosis danger);(f) toxic mould, spore or fungus remediation;(g) illegal dumping, waste contamination or contravention of environmental laws;(h) animal or pet odours;(i) bio hazard spill;(j) disease outbreak; or(k) medical waste transport, treatment or disposal.

16. Playing surfaces

What we cover	What we exclude
<p>We will pay up to \$50,000, plus any additional amount specified in your policy schedule for playing surface, 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 anyone who you have permitted to use the playing surface.</p>

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 costs that are reasonably in the circumstances that you incur that are necessary:</p> <ul style="list-style-type: none">(a) to extinguish a fire occurring during the period of insurance on or in the immediate 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(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.	<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.

The most **we** will pay for all claims covered under this Additional Benefit in total is \$25,000 in any one (1) **period of insurance**.

Further, if these costs are covered under this Additional Benefit and under Extra Cover 3 – Temporary protection in Policy Section 2 – Theft and / or under Extra Cover 2 – Temporary protection in Policy Section 4 – Money, then the maximum **we** will pay under all these Policy Sections in total in any one (1) **period of insurance** is \$25,000.

2. Temporary removal of stock and contents

What we cover	What we exclude
<p>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 to any other premises including a temporary storage facility, self-storage unit or bulk storage facility.</p> <p>The most we will pay under this Additional Benefit for contents temporarily removed is 20% of the applicable "Contents" insured amount.</p> <p>The most we will pay under this Additional Benefit for stock temporarily removed is 20% of the applicable "Stock" insured amount.</p> <p>Example</p> <p>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.</p>	<p>We will not pay for loss of, or damage to:</p> <ul style="list-style-type: none">(a) stock or contents located outside Australia at the time of loss or damage;(b) stock or contents that have been removed from the premises for a period of more than ninety (90) days at the time of loss or damage, 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;(c) stock or contents in open vehicles caused by wind, water, hail or storm unless steps have been taken to protect it from such loss or damage such as using 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	What we exclude
<p>We will pay for loss or damage to computer system records, documents, manuscripts, plans, drawings, designs and business books of every description used for the purposes of your business if they are lost or damaged in a motor vehicle accident or by theft from a locked vehicle following actual forcible and violent entry in the period of insurance.</p>	

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.</p> <p>Landscaping includes trees, shrubs, plants and lawns.</p> <p>The most we will pay under this Additional Benefit for any one (1) event is \$10,000 in restoring landscape grounds to their original appearance when first laid out and planted.</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);(c) the actions of animals; or(d) the failure of trees, shrubs, plants, turf to germinate or become established.

5. Theft of external property

What we cover

If **you** own but do not occupy a **building** shown as insured under this Policy Section at a **premises**, **we** will cover **you** for the theft in the **period of insurance** of plant, plumbing or wiring services that are not part of that **building** but which are securely attached (by means other than the connection to a power point) to the **building** structure.

The most **we** will pay for all claims covered under this Additional Benefit in total is \$10,000 in any one (1) **period of insurance**.

What we exclude

We will not pay for any **loss** or **damage** caused by **your family** or **your** tenants.

We will not pay any claims under this Additional Benefit if **you** have selected Policy Section 2 – Theft.

6. 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 and **personal effects** caused by any of Insured Events 1 to 11, as if they were **contents**.

The most **we** will pay under this Additional Benefit is \$5,000 for any one director or **employee** for any one (1) insured **event** and \$10,000 in total for any one (1) **period of insurance**.

Any amount **we** pay for this Additional Benefit will be included in the "Contents" **insured amount**.

What we exclude

We will not pay for **loss** of, or **damage** to laptop computers, mobile phones, digital media players, electronic diaries, non-fixed GPS units, musical instruments, curios, works of art, jewellery, **money**, credit cards or medical devices.

If the tools of trade or **personal effects** are covered under another insurance policy (other than a policy entered into by **you**), **we** will only pay for the **loss** or **damage** not otherwise covered by that other insurance policy.

7. Temporary cover for new premises

What we cover

We will cover **you** for **loss** or **damage** occurring during the **period of insurance** to any newly occupied location arising from Insured Events 1 to 10, as if that location was shown on **your policy schedule** as an insured **premises**, provided that:

- (a) **you** first occupy the newly occupied location during the **period of insurance**;
- (b) the business carried on, at or from the newly occupied location is the same as the **business** shown in **your** current **policy schedule**;
- (c) the property at the newly occupied location 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 newly occupied location 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 of the **insured amount** for all **property** at a **premises** shown in **your policy schedule**.

What we exclude

We will not cover **you** for any **loss** or **damage** at the newly occupied location that occurs more than sixty (60) days after **you** first occupy the newly occupied location.

In order for **you** to continue this cover beyond sixty (60) days or be insured for the appropriate **insured amount**, **you** must provide **us** with full details of the newly occupied location. If **we** agree to cover the newly occupied location, **you** must pay any additional premium that applies.

What we cover (cont.)

This Additional benefit ends once **you** have contacted **us** to have the newly occupied location added to **your policy** or sixty (60) days after **you** first occupy the newly occupied location.

Example:

As an example of what **we** pay, 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**).

What we exclude (cont.)

8. Damage to glass, windows, doors and showcase frames in 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 and not leased to a tenant 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 covered under this Additional Benefit in total for any one (1) **period of insurance** is \$5,000.

Excess

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**;
- (d) plastic or Perspex signs; or
- (e) glass where any breakage or **damage** does not extend through the entire thickness of the glass.

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

- (a) **you** are insured under Policy Section 3 – Glass; or
 - (b) the **premises** has remained unoccupied or untenanted for a continuous period longer than sixty (60) days and **we** have not agreed to an extended period in writing.
-

9. Limited transit cover

What we cover	What we exclude
<p>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:</p> <ul style="list-style-type: none">(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); or(g) Insured Event 10 – Earthquake, tsunami, subterranean fire or volcanic eruption. <p>The most we will pay under this Additional Benefit is 10% of the highest the insured amount for contents or stock at any one premises up to a maximum of \$25,000 for each event.</p>	<p>We will not cover you under this Additional Benefit if you have selected Policy Section 12 – Goods in transit.</p>

What we will pay

The maximum **we** will pay for any one (1) claim from any one **occurrence**, other than a claim for a **specified item** or **contents** that are works of art, antiques or curios, under this Policy Section 1 is the amount shown on the **policy schedule** as adjusted by the Extra Covers, Additional Benefits and Policy Section Conditions of this Policy Section, whichever is the greater.

The maximum **we** will pay for each **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 reasonable value of the item up to a maximum of \$10,000 for each item.

For any item of **contents** or for any **specified item** that is part of a pair or set, the limit applies to the pair or set even if only part of the pair or set is lost or destroyed.

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**, **damaged** or destroyed:

(a) for **buildings**:

- (i) if the reasonable cost to repair, rebuild or replace the **buildings** is less than or equal to the **insured amount** and **you** wish to repair, rebuild or replace the **buildings**, **we** will, at **our** option (acting reasonably) and in consultation with **you**, either:
 - repair, rebuild or replace the **buildings** at the **premises** specified in the **policy schedule** or at another site (subject to Policy Section Condition 1- Underinsurance) to a condition equal to, but not better or more extensive than, its condition when new; or

- pay **you** the reasonable costs to repair, rebuild or replace the **buildings** at the **premises** specified in the **policy schedule** or at another site where **you** control, undertake or arrange others to undertake the agreed work of rebuilding, replacing or repairing (subject to Policy Section Condition 1- Underinsurance) to a condition equal to, but not better or more extensive than, its condition when new;
- (ii) if **you** do not wish to repair, rebuild or replace the **buildings**, **we** will pay **you** (subject to Policy Section Condition 1 - Underinsurance) the lesser of the reasonable cost of repair, rebuilding or replacement or the market value of the **buildings**, but **we** will exclude any professional fees as well as additional extra local authority requirements or other regulations included in the cost for its rebuilding, repair or reinstatement that **you** do not incur;
- (iii) if the reasonable costs to repair, rebuild or replace the **buildings** to a condition equal to, but not better or more extensive than, its condition when new is greater, or likely to be greater, than the **insured amount**, **we** will pay **you** (subject to Policy Section Condition 1 - Underinsurance) the **insured amount** instead of repairing, rebuilding or replacing.

When **we** settle claims for **buildings**, **we** will not pay more than the **insured amount** for **buildings** or as adjusted by the Extra Covers, Additional Benefits and Policy Section Conditions of this Policy Section, whichever is the greater; and

(b) for **contents** or **specified items** (other than **stock**):

- (i) if the reasonable cost to repair or replace **contents** or **specified items** with similar property is less than or equal to the **insured amount**, and **you** wish to repair or replace the property, **we** will either, at **our** option (acting reasonably) and in consultation with **you**, either:
 - repair, or replace the **contents** or **specified items** with similar property of equal quality, standard specification (subject to Policy Section Condition 1: Underinsurance); or
 - pay **you** the reasonable costs to repair or replace the **contents** or **specified items** with similar property of equal quality, standard and specification (subject to Policy Section Condition 1- Underinsurance); or
- (ii) if the reasonable cost to repair or replace **contents** or **specified items** with similar property is greater or likely to be greater than the **insured amount**, or **you** do not wish to repair or replace the **contents** or **specified item**, or if the **contents** or **specified item** cannot be repaired or replaced, **we** will pay **you** the market value of the **contents** or **specified items** at the time of the **damage** or **loss** taking into account the **proof of purchase**, estimates and valuations obtained or provided (subject to Policy Section Condition 1 - Underinsurance).

When **we** settle claims for **contents** and **specified items** **we** will not pay more than the relevant **insured amount** for **contents** or **specified items** or as adjusted by the Extra Covers, Additional Benefits and Policy Section Conditions of this Policy Section, whichever is the greater.

Reinstatement or replacement is subject to the following conditions:

- (a) where **you** control, undertake or arrange for others to undertake the work of rebuilding, replacing or repairing, work must be commenced and completed by **you** within a reasonable time, **we** may reduce **our** liability to the extent **we** are prejudiced by any unnecessary delay within **your** control;
- (b) when rebuilding at another site, **we** will not pay more than **we** would pay to rebuild at the **premises**;
- (c) when any **property insured** is **damaged**, but not destroyed, **we** will not pay more than the amount that **we** would have been required to pay if that **property insured** had been destroyed;
- (d) **we** will only pay to return the **property insured** to a condition substantially the same as, but not better or more extensive than, its condition when new, using building materials readily available and in common use in Australia; and
- (e) **we** will only pay **contents** or **specified items** to return them to a condition substantially the same as, but not better or more extensive than, its condition when new.

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 (acting reasonably) and in consultation with **you**, either:

- (a) pay **you** the market value of the **buildings** or **contents** at the time of its **loss** or **damage**; or
- (b) pay **you** the cost of repair, rebuilding or replacement up to the market value of the **buildings** or **contents**,

but **we** will reduce the amount **we** pay **you** to take into account age, wear, tear and depreciation (subject to Policy Section Condition 1 - Underinsurance).

Under both '1. Reinstatement or replacement' and '2. Indemnity (Optional reduction in cover)' **we** will consider the below factors when considering how to settle **your** claim (including but not limited to):

- the circumstances of the **loss** or **damage**;
- **your** willingness to rebuild at the **premises**;
- the adequacy of the **insured amount**;
- **your** intent to improve or enhance the **buildings**;
- the potential of underinsurance or unexpected costs or delay in rebuilding, replacing or repairing **property insured**;
- **your** intent to undertake rebuilding, replacement or repair **yourself** or for **you** to arrange for such work to be done;
- the time it may take for **you** to resume normal **business** operations;
- the imposition of any government, local authority and other requirements affecting or influencing the repair, rebuild, replacement or use of **buildings** or **contents**; and
- **our** or **your** ability to repair, rebuild or replace the **property insured** or rebuild a building at the **premises**.

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, other than undamaged foundations as provided for in Extra Cover 10 – Undamaged Foundations; and
 - (iii) 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 and customers' goods

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

- (a) if the **stock** or **customers' goods** can be repaired or replaced, pay for **you** to replace or repair the damaged **stock** or **customers' goods** with property or materials of equal quality, standard and specification unless (in the case of **stock**) the **stock** has become **obsolete stock** (subject to Policy Section Condition 1 - Underinsurance);
- (b) if the **stock** or **customers' goods** cannot be repaired or replaced, **we** will pay **you** the original cost to **you** of the **stock** plus an amount commensurate with the cost of repairing damaged **stock**, but not exceeding its pre-damage value at the time of the **loss** unless (in the case of **stock**) the **stock** has become **obsolete stock** (subject to Policy Section Condition 1 - Underinsurance); or
- (c) where the **stock** is **obsolete stock**, **we** will pay **you** its reasonable value as **obsolete stock** at the time of the damage but no more than its original cost to **you** (subject to Policy Section Condition 1 - Underinsurance).

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 **you** the market value of the **stock** less its salvage value after brands, labels or names have been removed.

8. Electronic equipment

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

- (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 the replacement cost at the time of replacement is subject to due allowance for 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. Please refer to General Claims Condition 11 "Paying **your excess**" for information about the options for paying the **excess**.

When you must pay a higher or additional excess

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

Policy Section Conditions

These conditions apply to all cover and claims under this Policy Section in addition to the General Policy Conditions on pages 16 to 19.

If **you** do not comply with these Policy Section Conditions, **we** may:

(a) refuse to pay a claim or reduce the amount **we** pay (to the extent to which **we** are prejudiced in respect of the claim as a result of **your** non-compliance); and/or

(b) recover from **you** any costs and/or any monies **we** have paid; and/or

(c) cancel **your policy**.

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.

If the **total declared value** for all **property** at the **premises** where the **loss** or **damage** occurs is less than 80% of the cost (net of any **input tax credit** that **you** could claim) of reinstating all **property** at those **premises** calculated as at the commencement date of the **period of insurance**, then the amount **we** are liable to pay in respect of **loss** or **damage** covered under this Policy Section will be reduced in accordance with clause (a) or (b) below, as applicable.

(a) If **you** are insured under this Policy Section 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** at the **premises** where the **loss** or **damage** occurs, bears to 80% of the cost of reinstating all such **property** (net of any **input tax credit** that **you** could claim), calculated at the commencement date of the **period of insurance**; or

(b) If the **policy schedule** shows **you** are insured for “Indemnity”, **we** will be liable for no greater proportion of the **loss** or **damage** than the **total declared value** for all **property** 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**, calculated at the commencement date of the **period of insurance**.

This Underinsurance condition does not apply if the amount of any **loss** or **damage** (net of any **input tax credit** that **you** could claim) is less than 10% of the **total declared value** for all **property** 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 (2) years must substantiate the period as a **seasonal increase period**.

If the **business** is less than two (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 serviced by a qualified technician in accordance with Australian Standard 1851-2012 *Routine service of fire protection systems and equipment*, which **you** can obtain from www.standards.org.au (or any subsequent amendments or replacements).

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**.

Worked dollar claim example 1

The following worked dollar claim examples are designed to assist **you** in understanding some of the benefits in this Policy Section and how claims are calculated. The examples do not cover all scenarios or all benefits and do not form part of **your policy** terms and conditions. The following 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 as both a hairdressing salon and **your** residence. For this reason, it is a **home building**. **You** have checked **your policy schedule** and, because the "Indemnity Optional reduction in cover" basis is not shown, **you** are insured for "Reinstatement or Replacement". The total of all **insured amount** values in **your policy schedule** is specified 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** specified in **your policy schedule** is \$500.

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 the cost of repairs is \$50,000.

How much we pay		Further information
Cost of repairing the storm damage to your building	\$50,000	Normally the building is repairable if the cost of repairing the building is less than the insured amount (in this example the insured amount 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 damage up and building removal. The most we will pay under Extra Cover 4 of this Policy Section for removal of debris is \$50,000.
Less excess	-\$500	We deduct this from the amount we pay. We may ask you to pay this amount directly to the repairer.
Total claim	\$79,500	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 Policy Section Condition 1 – Underinsurance.

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

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

Worked dollar claim example 2

You have cover for a **building** that is used as both a cafe and **your** residence. For this reason, it is a **home building**. **You** have checked **your policy schedule** and, because the "Indemnity Optional reduction in cover" basis is not shown, **you** are insured for "Reinstatement or Replacement". The **insured amount** on **your policy schedule** is specified as \$2,500,000 and the **excess** specified in **your policy schedule** is \$250. The **building** is **damaged** in an earthquake and the cost of repairs is \$1,000,000.

How much we pay		Further information
Cost of repairing the earthquake damage to your building	\$1,000,000	Normally the building is repairable if the cost of repairing the building is less than the insured amount (in this example the insured amount is \$2,500,000).
Removal of debris	+\$80,000	<p>In addition to the damage to the building, the earthquake has created building debris that requires cleaning up and removal at a cost of \$80,000.</p> <p>The most we will pay under Extra Cover 4 of this Policy Section for removal of debris is \$50,000.</p> <p>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 amount of total declared value not paid out or payable to cover the removal of debris costs not covered by Extra Cover 4.</p>
Less excess	-\$20,000	We deduct this from the amount we pay. We may ask you to pay this amount directly to the repairer.
Total claim	\$1,060,000	We normally pay this amount directly to the repairer.

Definitions

The following defined words in this Policy Section have the meanings given to them as set out below. These meanings only apply to this Policy Section and the terms and conditions of this **PDS** as they apply to this Policy Section and prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording (including in the General Definitions).

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

Furniture, tools of trade and equipment used by **you** in the **business** and includes:

- (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**, unregistered forklifts and hoists, 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 or include:

- (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 a **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 covers the **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** from or in any open space.

You can claim for **loss** of, or **damage** to, **your contents, specified items**, or **stock** as described under 'Insuring Clause – What we cover' if:

- 'Theft' 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 24 to 26.

Insuring Clause – What we cover	What we exclude
We cover loss of or damage occurring during the period of insurance to your contents, specified items and stock caused by theft .	<p>This Policy Section does not cover:</p> <p>1. Theft by you, your employees or family</p> <p>Loss of, or damage to, property insured caused by you, your employees or any member of your family.</p> <p>2. Glass</p> <p>The breakage of glass (as those terms are defined in Policy Section 3 - Glass), or the cost of replacing sign writing, ornamentation, reflective materials and burglar alarm tapes attached to broken glass.</p> <p>3. Open space</p> <p>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.</p> <p>4. Access</p> <p>Loss of, or damage to, property insured if entry is gained to the building:</p> <p>(a) by use of a key or security code; or</p> <p>(b) through an unlocked door or window,</p> <p>except as provided for under:</p> <p>(i) Additional Benefit 3 – Employee dishonesty of this Policy Section; or</p> <p>(ii) Additional Benefit 6 – Theft without forced entry of this Policy Section.</p> <p>5. Extra costs or other losses</p> <p>Loss of profit or income, loss of use, loss of earning capacity, loss caused by delay, lack of performance, loss of contract, or depreciation in value or any other loss or damage that is not covered under this Policy Section.</p>

Extra Covers

If a claim for **loss** or **damage** caused by **theft** is covered by this Policy Section, **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**.

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

2. Damage to rented buildings

What we cover

We will cover **you** for **damage** to the **buildings** that **you** occupy as a tenant if **you** are legally liable for that **damage** under **your** tenancy agreement, provided that the **damage** is due to **theft** at the **premises** which occurs during the **period of insurance**.

The most **we** will pay under this Extra Cover for any one (1) **event** is \$5,000.

What we exclude

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** pending repair of **damage** to the **building** caused by **theft**.

The most **we** will pay under this Extra Cover for any one (1) **event** is \$5,000.

Further, if these costs are covered under this Extra Cover and under Additional Benefit 1 – Prevention of loss or damage in Policy Section 1 – Property damage and / or under Extra Cover 2 – Temporary protection in Policy Section 4 – Money, then the maximum **we** will pay under all these Policy Sections in total in any one (1) **period of insurance** is \$25,000.

What we exclude

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 (1) **event** is \$5,000.

Further, if these costs are covered under this Extra Cover and under Extra Cover 3 – Replacement of locks and keys in Policy Section 4 – Money, then the maximum **we** will pay under both these Policy Section Extra Covers in total for any one (1) **event** is \$5,000.

What we exclude

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 for any one (1) **period of insurance** is \$25,000.

What we exclude

6. Seasonal increase period

What we cover

We will increase the portion of the **insured amount** as it relates to **stock** by 35% 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.

What we exclude

7. Rewards

What we cover

To the extent permitted by law, **we** will pay up to \$5,000 for any one (1) **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 must provide reasonable evidence that the reward has been paid.

If the reward is covered under this Extra Cover and under Extra Cover 14 – Rewards in Policy Section 1 - Property damage and / or under Extra Cover 5 – Rewards in Policy Section 4 – Money, then the maximum **we** will pay under all these Policy Section Extra Covers in total for any one (1) **event** is \$5,000.

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**; or
- (b) for information already held by or provided to **us** or any law enforcement authority.

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**.

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** as a result of **theft**.

The most **we** will pay for all claims covered under this Additional Benefit in total in any one (1) **period of insurance** is:

- (a) \$10,000; or
- (b) the "Contents" **insured amount** shown on **your policy schedule** for this Policy Section, whichever is less.

Excess

The **excess** that applies to this Additional Benefit is the greater of the **excess** shown on the **policy schedule** or \$200.

What we exclude

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 is \$5,000 for any one (1) director or **employee** and \$10,000 in total for any **period of insurance**.

Further:

- (a) Any amount **we** pay for this Additional Benefit will be in addition to the **insured amount** for "Contents"; and
- (b) if **loss** of or **damage** to these **personal effects** is covered under this Additional Benefit and under Additional Benefit 3 – Directors' and employees' personal effects in Policy Section 4 – Money, then the maximum **we** will pay under both these Policy Section Additional Benefits in total is as set out above.

What we exclude

If the **personal effects** are covered under another insurance policy (other than a policy entered into by **you**), **we** will only pay for **loss** or **damage** not otherwise covered by the other policy.

We will not pay for **loss** or **damage** to musical instruments, curios, works of art, **money** or credit cards.

3. Employee dishonesty

What we cover

We will cover **you** for **loss** of **contents** and **stock** as a direct result of **employee** dishonesty during the **period of insurance** if discovered within thirty-one (31) days of the **employee** dishonesty occurring.

The most **we** will pay under this Additional Benefit:

- (a) is \$2,500 for any one (1) claim for **employee** dishonesty; and
- (b) \$5,000 in total for all claims for **employee** dishonesty during the **period of insurance**.

Further, if an act of **employee** dishonesty is covered under this Additional Benefit and under Additional Benefit 1 – Employee Dishonesty of Policy Section 4 – Money, then the maximum **we** will pay under both these Policy Section Extra Covers is \$10,000 in total for any **period of insurance**.

What we exclude

This Additional Benefit does not cover:

- (a) any **loss** arising from the conduct of an **employee** after **you** were aware that the **employee** had previously committed an act of fraud or dishonesty before or after the date of commencement of employment by **you**;
- (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 solely 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** knowledge or consent.

We will not cover any claims under this Additional Benefit if **you** are insured under Optional Cover 1 - Employee dishonesty in Policy Section 7 – Management liability.

4. Developing security images

What we cover	What we exclude
<p>We will cover you for the cost of developing images stored on media from security cameras following a theft of property insured at the buildings during the period of insurance.</p> <p>The most we will pay under this Additional Benefit for any one (1) event is \$1,000.</p> <p>Further, if the cost of developing such images is covered under this Additional Benefit and under Additional Benefit 2 – Developing security images in Policy Section 4 – Money, then the maximum we will pay under both these Policy Section Additional Benefits in total for any period of insurance is \$1,000.</p>	

5. Funeral expenses

What we cover	What we exclude
<p>We will cover burial or cremation costs of you or any of your directors, officers, employees, or any partner of your business sustains a fatal injury provided:</p> <p>(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</p> <p>(b) the death occurs within six (6) months of the assault.</p> <p>The most we will pay under this Additional Benefit for any one (1) fatality is \$10,000, to be paid to the estate of the deceased person.</p> <p>Further, if the burial or cremation costs are covered under this Additional Benefit and under Additional Benefit 4 – Funeral expenses in Policy Section 4 – Money, then the maximum we will pay under both these Policy Section Additional Benefits in total for any one (1) fatality is \$10,000.</p>	

6. Theft without forced entry

What we cover	What we exclude
<p>We will cover you for loss or damage occurring during the period of insurance to contents and specified items in the building as a result of theft where there are no signs of forcible and violent entry to or exit from the building.</p> <p>The most we will pay under this Additional Benefit for any one (1) event is \$5,000.</p>	<p>We do not cover loss of, or damage to, stock under this Additional Benefit.</p>

7. Temporary cover for new premises

What we cover

We will cover **you** for **loss** of, or **damage** to, **stock** or **contents** as a result of **theft** at any newly occupied location which **you** first occupy during the **period of insurance**, as if that location was shown in **your policy schedule** as an insured **premises**, provided that:

- (a) the **business** carried on at or from the newly occupied location is the same as the **business** shown on **your policy schedule**;
- (b) the **stock** or **contents** at the newly occupied location would have been covered if located at one of the **premises** shown on **your policy schedule**; and
- (c) the newly occupied location has the same or superior security features as one of the **premises** shown on **your policy schedule**.

In order for **you** to continue this cover beyond sixty (60) days or be insured for the appropriate **insured amount**, **you** must provide **us** with full details of the new **premises**. If **we** agree to cover **stock** or **contents** at the new **premises**, **we** will let **you** know if payment of an additional premium is required.

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.

Further, if the **loss** of, or **damage**, to **stock** or **contents** at any newly occupied location is covered under this Additional Benefit and under Additional Benefit 8 – Temporary removal of stock or contents in this Policy Section, then the maximum **we** will pay under both these Additional Benefits in total is 20% of the applicable **insured amount**.

This Additional Benefit ends once **you** have contacted **us** to have the newly occupied location added to **your policy** or sixty (60) days after **you** first occupy the newly occupied location.

What we exclude

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.

We will not cover **you** for any **loss** of or **damage** to **stock** or **contents** at the newly occupied location that occurs more than sixty (60) days after **you** first occupy the new location.

8. Temporary removal of stock or contents

What we cover

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.

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.

Further, if **loss** of, or **damage**, to **stock** or **contents** while they are temporarily removed from the **premises** or while in transit to or from the **premises**, by **road**, railway, inland waterway or air is covered under this Additional Benefit and under Additional Benefit 7 - Temporary cover for new premises in this Policy Section, then the maximum **we** will pay under both these Additional Benefits in total is 20% of the applicable **insured amount**.

What we exclude

We will not pay for **loss** of, or **damage** to, **stock** or **contents** arising from or in connection with:

- (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 an open space, whether fenced or unfenced, outside the walls of an enclosed building.

We will not cover **stock** or **contents** which have been removed from the **premises** for more than ninety (90) consecutive days, unless **we** have agreed in writing during the **period of insurance** that the **stock** or **contents** could be removed for a longer period and that period has not been exceeded.

What we will pay

We will:

(a) Stock

with respect to **stock**:

- (i) pay the cost to replace or repair the **stock**;
- (ii) 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
- (iii) pay **you** the market value, at the time of the **loss** or **damage**, of **obsolete stock** or its purchase price, whichever is the lesser, but no more than the original cost to **you**.

(b) Contents or specified items

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 the **excess** shown on **your policy schedule** that applies to each 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 covers and claims under this Policy Section in addition to the General Policy Conditions on pages 16 to 19 that apply to this Policy Section.

If **you** do not comply with these Policy Section Conditions, **we** may:

- (a) refuse to pay a claim or reduce the amount **we** pay (to the extent to which **we** are prejudiced in respect of the claim as a result of **your** non-compliance); and/or
- (b) recover from **you** any costs and/or any monies **we** have paid; and/or
- (c) cancel **your policy**.

1. Monitored burglar alarms

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

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

2. Valuables

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

3. Seasonal increase period

You do not have to tell **us** what the dates of the **seasonal increase period** are. However, if **you** make a claim under this Policy Section then **your** financial records over the previous two (2) years must substantiate the period as a **seasonal increase period**.

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

Definitions

The following defined words in this Policy Section have the meanings given to them as set out below. These meanings only apply to this Policy Section and the terms and conditions of this **PDS** as they apply to this Policy Section and prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording (including in the General Definitions).

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 include:

- (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**;
- (b) theft or any attempt at theft by a person concealed in the **building** during **business** hours and, who after hours, breaks out of the **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** (including armed holdup).

Policy Section 3 – Glass

Please note that if **you** are insuring a **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 covers **loss** of, or **damage** to, **glass** at the **premises**.

You can claim for **loss** of, or **damage** to, **glass** as described under 'Insuring Clause – What we cover' if:

- 'Glass' 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 24 to 26.

Insuring Clause – What we cover	What we exclude
We cover loss of, or damage to, glass which you own or for which you are legally responsible, occurring during the period of insurance at the premises .	This Policy Section does not cover: 1. Heat, fire or flood Loss of, or damage to, glass caused by or arising out of fire, the application of heat or flood . 2. Some types of glass Glass: (a) when in transit or whilst being fitted into position or removed from its fitting; (b) forming part of stock in trade or merchandise; (c) in light fittings; (d) that is cracked or imperfect prior to loss or damage ; (e) that is not fit for the purpose intended; or (f) that is in a radio, television, computer screen or any domestic item normally carried by hand such as a vase, crystal china or glass in a photo frame. 3. Glasshouse Glass that is in a glasshouse or conservatory. 4. Tiles Breakage of tiles on shopfronts and office fronts, other than around the broken glass . 5. Extra costs or other losses Loss of profit or income, loss of use, loss of earning capacity, loss caused by delay, lack of performance, loss of contract, or depreciation in value or any other loss or damage that is not covered under this Policy Section.

Extra Cover

If a claim for **loss** of or **damage** to **glass** is covered by this Policy Section, **we** will also pay or provide the Extra Cover set out below. Any amounts payable under this Extra Cover apply in addition to the **insured amount**.

1. Costs

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

Additional Benefit

We will also provide the following Additional Benefit subject to the General Exclusions and all the terms, conditions and exclusions that apply to this Policy Section.

Any amount payable under this Additional Benefit will apply in addition to the **insured amount** shown on **your policy schedule** for this Policy Section.

1. Broken signs cost

What we cover	What we exclude
<p>We will cover you for loss of, or damage to, plastic or Perspex signs at the premises if they are lost or damaged during the period of insurance.</p> <p>This cover applies even if there is no other damage to glass.</p> <p>The most we will pay for any one (1) event under this Additional Benefit is \$8,000.</p>	

Optional Cover

We will provide the following Optional Cover when requested by **you**, when **you** pay any additional premium required and when shown as insured on **your policy schedule**.

This Optional Cover is provided subject to the General exclusions and all the terms, conditions and exclusions that apply to this Policy Section unless stated otherwise.

Any amount payable under this Optional Cover applies in addition to the 'Broken Signs' **insured amount**.

1. Additional broken signs costs

What we cover	What we exclude
<p>We will cover you for loss of, or damage to, plastic or Perspex signs at the premises if they are lost or damaged during the period of insurance.</p> <p>The most we will pay under this Optional Cover for any one (1) event is the "Additional broken signs costs" insured amount shown in your policy schedule.</p> <p>This insured amount will be in addition to the amount covered under Additional Benefit 1 – Broken signs costs of this Policy Section.</p>	

What we will pay

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

We will not pay any additional costs to comply with any requirements that **you** were required to comply with before the **loss** of, or **damage** to, **glass** occurred.

Excess

The **excess** that applies is shown on **your policy schedule** for each claim **you** make. Please refer to General Claims Condition 11 - Paying your excess for information about the options for paying the **excess**.

Worked dollar claim example

The following worked dollar claim example is designed to assist **you** in understanding some of the benefits in this Policy Section and how claims are calculated. The example does not cover all scenarios or all benefits and does not form part of **your policy** terms and conditions. The following 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 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 as both a café and residence. For this reason it is a **home building**. The **excess** is \$250. The window **glass** in the café and the Perspex sign out on the front are broken after rocks are thrown at them. The cost of replacing the **glass** is \$1,500, the cost of replacing the damaged sign writing is \$500 and the cost of replacing the damaged Perspex sign is \$1,000.

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

Definitions

The following defined words in this Policy Section have the meanings given to them as set out below. These meanings only apply to this Policy Section and the terms and conditions of this **PDS** as they apply to this Policy Section and prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording (including in the General Definitions).

Breakage/Damage

Means:

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

Glass

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

Policy Section 4 – 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 'Insuring Clause – 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 page 24 to 26.

Insuring Clause – 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 during business hours;(c) in the building outside of business hours;(d) in the 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 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> <p>1. Missing money</p> <p>Loss of, or damage to, money:</p> <ul style="list-style-type: none">(a) due to shortages resulting from clerical or accounting errors, breakdown or malfunction of any machine or electrical or electronic device or loss due to errors in receiving or paying out;(b) by any intentional or wilful act or omission by you or your employees with your knowledge or consent; 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. <p>2. Key or combination in building</p> <p>Loss of, or damage to, money from any safe or strongroom opened by a key or by use of details of a combination that are left in the building outside business hours unless such an action resulted from assault or violence or immediate threat of violence (including armed holdup).</p> <p>3. Unattended vehicle</p> <p>Loss of, or damage to, money in or from an unattended vehicle. A vehicle is unattended when the driver or any passenger are not able to keep the vehicle under observation and /or not able to observe an attempt to interfere with it and would be unable to prevent such interference.</p> <p>4. Professional carrier</p> <p>Loss of, or damage to, money while professional money carriers, professional carriers or common carriers carry it.</p> <p>5. Loss outside Australia</p> <p>Loss of, or damage to, money occurring outside Australia except as expressly provided by Additional Benefit 5 – Travellers' money of this Policy Section.</p>

Insuring Clause – What we cover (cont.)	What we exclude (cont.)
	<p>6. Extra costs or other losses</p> <p>Loss of profit or income, loss of use, loss of earning capacity, loss caused by delay, lack of performance, loss of contract, or depreciation in value or any other loss or damage that is not covered under this Policy Section.</p> <p>7. ATMs</p> <p>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 at the premises.</p> <p>8. Discovery of loss</p> <p>Loss not discovered within seven (7) business days of the loss occurring except as expressly provided by Additional Benefit 1 – Employee dishonesty of this Policy Section.</p> <p>9. Unattended premises</p> <p>Loss of money when the premises is left unattended unless any burglar alarm system which protects the premises is:</p> <p>(a) turned on when the premises is left unattended and remains turned on during the period the premises is unattended; and</p> <p>(b) maintained in good working condition.</p>

Extra Covers

If a claim for:

- **loss** of, or **damage** to, **money**; or
- for **damage** to a **safe or strongroom** caused by theft or attempted theft is covered by this Policy Section,

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	What we exclude
<p>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.</p>	

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 (1) **event** is \$10,000.

Further, if these costs are covered under this Extra Cover and under Additional Benefit 1 – Prevention of loss or damage in Policy Section 1 – Property damage and / or under Extra Cover 3 – Temporary protection in Policy Section 2 – Theft, then the maximum **we** will pay under all these Policy Sections in total in any one (1) **period of insurance** is \$25,000.

What we exclude

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.

The most **we** will pay under this Extra Cover for any one (1) **event** is \$5,000.

Further, if these costs are covered under this Extra Cover and under Extra Cover 4 – Replacement of locks and keys in Policy Section 2 – Theft, then the maximum **we** will pay under both these Policy Section Extra Covers in total for any one (1) **event** is \$5,000

What we exclude

4. Seasonal increase on money

What we cover	What we exclude
<p>We will automatically increase the applicable insured amount in respect of money by either:</p> <ul style="list-style-type: none">(a) 35% during a seasonal increase period; or(b) 100%, or \$75,000, 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. <p>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.</p>	

5. Rewards

What we cover	What we exclude
<p>To the extent permitted by law, we will pay up to \$5,000 for any one (1) event for the reasonable cost of any reward paid by you for information which results in the:</p> <ul style="list-style-type: none">(a) apprehension; and(b) entry of judgment against, or conviction of, <p>the person(s) responsible for the loss or damage covered under this Policy Section.</p> <p>You must provide reasonable evidence that the reward has been paid.</p> <p>If the reward is covered under this Extra Cover and under Extra Cover 14 – Rewards in Policy Section 1 – Property damage and / or under Extra Cover 7 – Rewards in Policy Section 2 – Theft, then the maximum we will pay under all these Policy Section Extra Covers in total for any one (1) event is \$5,000.</p>	
<p>We do not cover any reward paid by you:</p> <ul style="list-style-type: none">(a) to your directors or officers, any employee or partner of your business, your tenant, or your family; or(b) for information already held by or provided to us or any law enforcement authority.	

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	What we exclude
<p>We will cover you for loss of money as a direct result of employee dishonesty during the period of insurance if discovered within thirty-one (31) days of the employee dishonesty occurring.</p> <p>The most we will pay under this Additional Benefit:</p> <p>(a) \$2,500 for any one (1) act of employee dishonesty; and</p> <p>(b) \$10,000 in total for all claims for employee dishonesty for any one (1) period of insurance.</p> <p>Further, if an act of employee dishonesty is covered under this Additional Benefit and under Additional Benefit 3 – Employee Dishonesty of Policy Section 2 – Theft, then the maximum we will pay under both these Policy Section Additional Benefits is \$10,000 in total in any one period of insurance.</p>	<p>This Additional Benefit does not cover:</p> <p>(a) any loss arising from the conduct of an employee after you were aware that the employee had previously committed an act of fraud or dishonesty before or after the date of commencement of employment by you;</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 solely 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 knowledge or consent.</p> <p>We will not pay any claims under this Additional Benefit if you are insured under Policy Section 7 – Management liability, Optional Cover 1 – Employee dishonesty.</p>

2. Developing security images

What we cover	What we exclude
<p>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.</p> <p>The most we will pay under this Additional Benefit for any one (1) event is \$1,000.</p> <p>Further, if the cost of developing such images is covered under this Additional Benefit and under Additional Benefit 4 – Developing security images in Policy Section 2 – Theft, then the maximum we will pay under both these Policy Section Additional Benefits in total for any one (1) event is \$1,000</p>	

3. Directors' and employees' 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 (1) director and **employee** for any one (1) **event** is \$5,000; and

(b) in total for any one (1) **event** is \$10,000.

Further if **loss** of or **damage** to these **personal effects** is covered under this Additional Benefit and under Additional Benefit 2 – Directors' and employees' tools of trade and personal effects in Policy Section 2 – Theft, then the maximum **we** will pay under both these Policy Section Additional Benefits is total is as set out above.

What we exclude

We will not cover **you** for **loss** or **damage** to musical instruments, curios, works of art, **money** or credit cards.

If the **personal effects** are covered under another insurance policy (other than a policy entered into by **you**), **we** will only pay for **loss** or **damage** not otherwise covered by the other policy.

4. Funeral expenses

What we cover

We will cover **you** for any burial or cremation costs of **you** or 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 in the **period of insurance** of **money** owned by **you** or for which **you** are legally responsible in the **period of insurance**; and

(b) the death occurs within six (6) months of the assault.

The most **we** will pay under this Additional Benefit for any one fatality is \$10,000, to be paid to the estate of the deceased person.

Further, if the burial or cremation costs are covered under this Additional Benefit and under Additional Benefit 5 – Funeral expenses in Policy Section 2 – Theft, then the maximum **we** will pay under both these Policy Section Additional Benefits in total for any one (1) fatality is \$10,000.

What we exclude

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) for any one (1) **event** is \$5,000; and

(b) \$10,000 in total for any one (1) **period of insurance**.

What we exclude

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 for all claims covered under this Additional Benefit in total for any one (1) **period of insurance** is \$750.

What we exclude

What we will pay

1. **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:
 - (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 the additional cost of any alterations, improvements or overhauls that are additional to the cost necessary to repair or replace the **lost** or **damaged safe or strongroom**.
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 **loss** or such other rates as may have been expressly agreed with **us**.
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 \$3,000 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 \$3,000 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 in addition to the General Policy Conditions on pages 16 to 19 that apply to this Policy Section.

If **you** do not comply with this Policy Section Condition **we** may:

- (a) refuse to pay a claim or reduce the amount **we** pay (to the extent to which **we** are prejudiced in respect of the claim as a result of **your** non-compliance); and/or
- (b) recover from **you** any costs and/or any monies **we** have paid; and/or
- (c) cancel **your** policy.

1. Seasonal increase period(s)

You do not have to tell **us** the dates of the **seasonal increase period(s)**. If **you** make a claim under this Policy Section then **your** financial records over at least the previous two (2) years must substantiate the period as a **seasonal increase period**.

If the **business** is less than 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 for any one (1) **event** is shown in **your policy schedule**. Please refer to General Claims Condition 11 Paying **your excess** for information about the options for paying the **excess**.

Definitions

The following defined words in this Policy Section have the meanings given to them as set out below. These meanings only apply to this Policy Section and the terms and conditions of this **PDS** as they apply to this Policy Section and prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording (including in the General Definitions).

ATM

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

Business hours

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

Financial 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

Means:

- (a) in **your** custody and control at **your** private residence; or
- (b) in the custody and control of persons authorised by **you** at their private residence, until the close of opening hours on the next day when the monies can be deposited with a **financial services provider** or before the end of that day if an afterhours deposit service is used.

In transit

Means:

- (a) **money** in **your** personal custody or in the custody of persons authorised by **you** during a journey to or from the **premises** to or from anywhere within Australia until the close of opening hours on the next day when the monies can be deposited with a **financial services provider** or before the end of that day if an afterhours deposit service is used;
- (b) **money** while deposited in the night safe, night depository chute or **ATM** of any **financial services provider** where **you** normally transact business; and
- (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**.

Money

Tangible 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), anticipated revenue or any form of crypto-currency.

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 (1) **period of insurance** unless a different period is shown on **your policy schedule**.

Policy Section 5 – Back in Business

About this Policy Section

This Policy Section provides cover for a reduction in **your business revenue** as a result of **loss** or **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 'Insuring Clause – What we cover' if:

- 'Back in Business' is shown as insured on **your policy schedule**;
- the **loss** or **damage** occurs during the **period of insurance**;
- the claim is not excluded under 'What we exclude'; and
- the **loss** or **damage** is not excluded by any of the General Exclusions on page 24 to 26.

Insuring Clause – What we cover	What we exclude
We will cover you for a reduction in your revenue and the increased costs of working arising from the interruption or interference to your business as a result of loss or damage caused by or arising from one or more Insured Events numbered 1 to 12 below occurring during the period of insurance .	We do not cover you , or your cover may be reduced, if, during the period of insurance or indemnity period , any of the following occur: <ul style="list-style-type: none">(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	What we exclude
<p>(a) Interruption of or interference with the business as a result of damage for which you are covered by the insuring clause (or would have been but for the application of the excess) under:</p> <ul style="list-style-type: none">(i) Policy Section 1 – Property damage;(ii) Policy Section 2 – Theft;(iii) Policy Section 3 – Glass;(iv) Policy Section 4 – Money;(v) Policy Section 8 – Portable and valuable items;(vi) Policy Section 12 – Goods in transit; or(vii) any other policy insuring the same events for which the insurers have admitted liability, or would have admitted liability if it was not for the application of an excess, <p>provided you are not only covered by an Additional Benefit in the above listed Policy Sections.</p> <p>(b) If you are a strata owner or a tenant of the building and do not insure the building, damage to the building which:</p> <ul style="list-style-type: none">(i) if it had been insured under this policy would have been covered by the insuring clause of Policy Section 1 – Property damage of this policy (or would have been but for the application of the excess), but not if it would only have been covered by an Additional Benefit in Policy Section 1 – Property damage and(ii) is indemnifiable under any other policy insuring the same events as are covered by the insuring clause of Policy Section 1 – Property damage of this policy (or would have been, but for the application of an excess or but for the actions of the insured under that other policy).	

2. Boiler explosion

What we cover	What we exclude
<p>Interruption of or interference with the business as a result of damage as a result of the self-explosion or collapse of any pressure vessels, including boilers, compressors or economiser at the premises.</p>	<p>We will not cover loss or damage to pressure vessels or their contents which require certification under any statutory obligations, by-laws and regulations.</p>

3. Utilities extension

What we cover	What we exclude
Damage to the following utilities: <ul style="list-style-type: none">(a) any electricity generation facility or supply network;(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: <ul style="list-style-type: none">(i) the damage would have been covered under an Insured Event specified on pages 35 to 40 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;(iii) the damage results in interruption of, or interference to, the business; and(iv) the interruption of the supply extends for greater than 48 hours if the utility which was damaged was at, or immediately adjacent to, your premises. The most we will pay for any one (1) event is 20% of the insured amount for “Revenue” shown on your policy schedule .	

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

What we cover	What we exclude
Damage to property in the immediate vicinity of the premises if the following apply: <ul style="list-style-type: none">(a) the damage would have been covered under an Insured Event specified on pages 35 to 40 in Policy Section 1 – Property damage if such damage had been to property insured under that Policy Section;(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.	Damage to property that is not in the immediate vicinity of the premises .

5. Unspecified suppliers' or customers' premises extension

What we cover	What we exclude
<p>Damage to property at the Australian premises of:</p> <ul style="list-style-type: none">(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, <p>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.</p> <p>The most we will pay for any one (1) period of insurance is 20% of the insured amount for "Revenue" shown on your policy schedule.</p>	

6. Business that attracts customers

What we cover	What we exclude
<p>Damage to property of a major tenant if the following apply:</p> <ul style="list-style-type: none">(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 on pages 35 to 40 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	What we exclude
<p>Damage to roads, bridges and railway lines within Australia over which stock, components and materials used in your business are conveyed to or from your premises if the following apply:</p> <ul style="list-style-type: none">(a) the damage would have been covered under an Insured Event specified on pages 35 to 40 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. <p>The most we will pay for any one (1) event is 20% of the insured amount for "Revenue" shown on your policy schedule.</p>	

8. Infectious diseases, murder, suicide

What we cover

Interruption to **your business** 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) the occurrence of, or the discovery of any legionella species likely to result in, legionellosis at **your premises**;
- (b) vermin or pests at **your premises**;
- (c) defects in the drains or other sanitary arrangements at **your premises**;
- (d) injury or illness of customers arising from salmonella, campylobacter, staphylococcus aureus, bacillus cereus, clostridium, shigella, escherichia coli, listeria species or toxins present in shellfish only, directly caused by the consumption of food or drink provided on **your premises**;
- (e) murder or suicide occurring at **your premises**; or
- (f) shark or crocodile attack occurring within a twenty (20) kilometre radius of **your premises**

Interruption to **your business** occurring under this Insured Event will be deemed to be **loss** or **damage** for the purposes of **your** cover under this Policy Section.

For the purpose of this Insured Event only, the General Exclusion 9 - Communicable Disease does not apply to those substances or agents specified in (a) or (d) above of this Insured Event.

The most **we** will pay in respect of this Insured Event is 20% of the **insured amount** for "Revenue" shown on **your policy schedule**, up to a maximum of \$250,000, for any one (1) **period of insurance**.

What we exclude

We will not cover **you** for a reduction in **your business revenue** arising from the interruption or interference with **your business** during the first 48 hours of any closure or evacuation of the whole or part of the **premises** by order of a competent government, public or statutory authority.

We will not pay for:

- (a) cleaning, repairing or checking **your premises**;
- (b) forensic cleaning of the premises following an act of violence which occurs at **your premises**.

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 on pages 35 to 40 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**.

What we exclude

10. Documents temporarily removed

What we cover	What we exclude
<p>Damage to your documents or documents held in trust by you as part of your business that are:</p> <p>(a) temporarily removed to other premises anywhere in Australia; or</p> <p>(b) in transit to any place in Australia,</p> <p>where the loss or damage would have been covered under an Insured Event specified on pages 35 to 40 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.</p> <p>The most we will pay for any one (1) event is 20% of the insured amount for “Revenue” shown on your policy schedule.</p>	

11. Registered motor vehicles owned or operated by you

What we cover	What we exclude
<p>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 and the loss or damage results in the interruption of or interference with the business.</p>	<p>We will not pay for loss or damage to any registered vehicle whilst on a road.</p>

12. Transit

What we cover	What we exclude
<p>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.</p> <p>The most we will pay for any one (1) event is 10% of the insured amount for “Revenue” shown on your policy schedule.</p>	

Extra Covers

If a claim is covered under “Insuring Clause – What we cover” in 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 (1) **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	What we exclude
<p>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.</p>	

2. Included increased cost of working

What we cover	What we exclude
We will pay the additional expenditure reasonably incurred by you during the indemnity period for all costs not otherwise recoverable that are necessarily incurred for the sole purpose of resuming or maintaining normal business operations or services following loss or damage covered by this Policy Section.	

3. Included outstanding accounts receivable

What we cover	What we exclude
We will pay the amounts which you cannot recover from your debtors following damage to your debt records if the damage is covered by the insuring clause (or would have been but for the application of the excess) under: (a) Policy Section 1 – Property damage; (b) Policy Section 2 – Theft; (c) Policy Section 8 – Portable and Valuable Items; or (d) Policy Section 12 – Goods in Transit, Provided that: (i) we have admitted liability for the insured event; and (ii) as soon as reasonably possible at the end of each month, you keep a record of the total of the outstanding accounts receivable , and keep these figures for a period of 12 months. You must be able to access these records even if access to your premises is not possible due to an insured event, for example by keeping the records in a cloud storage service or at your accountant's, auditor's, or alternative premises The most we will pay under this Extra Cover for any one (1) claim is the difference between: (i) the outstanding accounts receivable ; and (ii) the total of the amount received or traced in respect of the outstanding accounts receivable .	

4. Reinstatement of insured amount

What we cover	What we exclude
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.	We will not reinstate the insured amount 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 exclude

What we will pay

If a claim for a reduction in **revenue** and increased costs of working is 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 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: **Limit** = A x 120%

where A is the amount shown for "Revenue" in the $\frac{\text{policy schedule} \times \text{indemnity period in months}}{12 \text{ months}}$

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**.

Policy Section Conditions

These conditions apply to all covers and claims under this Policy Section in addition to the General Policy Conditions on pages 16 to 19.

1. Loss of rent

We will not pay for loss of rent amount:

- (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; or
- (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 a claim for **loss** of, or **damage** to, **your property** is covered 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

The following defined words in this Policy Section have the meanings given to them in as set out below. These meanings only apply to this Policy Section and the terms and conditions of this **PDS** as they apply to this Policy Section and prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording (including in the General Definitions).

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 that **we** do not cover listed on page 83 in "What we exclude" (a) to (f) 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 6 – 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** and was not intended or expected by **you**.

You can claim for **legal liability** as described under 'Insuring Clause – What we cover', if:

- 'Public and products liability' is shown as insured on **your policy schedule**;
- it is not excluded by any of the exclusions under 'What we exclude'; and
- it is not excluded by any of the General Exclusions listed on pages 24 to 26.

Insuring Clause – What we cover	What we exclude
<p>We will cover your legal liability 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;

Insuring Clause – What we cover (cont.)

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, 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**.

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;
-

Insuring Clause – What we cover (cont.)

What we exclude (cont.)

(b) in respect of which registration or insurance is required by virtue of any legislation relating to **vehicles**; or

(c) in respect of which compulsory liability insurance or statutory indemnity is required by virtue of any legislation (whether or not insurance is effected).

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

6. Aircraft and watercraft

(a) the ownership, legal possession, legal control or use by **you** or the use on **your** behalf of:

(i) any **aircraft**; or

(ii) any **watercraft** exceeding eight (8) metres in length unless such a **watercraft** is owned and operated by others and used by **you** for **business** entertainment;

(b) the selling or manufacturing of **aircraft** or the manufacture, assembly or supply of any products that are used with **your** knowledge in **aircraft**;

(c) the leasing, hiring or chartering of **aircraft** to or from **you**;

(d) the repair, service or maintenance of **aircraft** or **aircraft** products or the installation of any products into **aircraft** unless such repair, service, maintenance or installation does not affect the flying capabilities or safety of the **aircraft** and **your policy** has been endorsed accordingly; or

(e) the repair, service or maintenance of **watercraft** exceeding eight (8) metres in length or the installation of any products into **watercraft** exceeding eight (8) metres in length unless such repair, service, maintenance or installation does not affect the navigation, propulsion or safety of such **watercraft**.

7. Professional duty

(a) a breach of any professional duty owed by **you** or anyone for whose breaches of such duty **you** may be legally liable;

(b) the performance of treatment to humans or **animal(s)** for beautification, cosmetic enhancement or to remedy illness, mental or physical deficiency, disease or injury;

(c) the prescribing of activities, pharmaceuticals, medical or herbal remedies to improve performance or appearance, or to alleviate pain, illness, mental or physical deficiency, disease or injury; or

(d) the dispensing of drugs, medicines, pharmaceutical supplies or artificial aids.

Insuring Clause – What we cover (cont.)

What we exclude (cont.)

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 physically **damaged** or destroyed resulting from:

- (a) delay in or lack of performance by **you** or on **your** behalf of any contract or agreement; or
- (b) the failure of **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.

14. Aircraft landing areas

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

- (a) is required by law to be issued with a licence permitting regular public transport operations of **aircraft** having a maximum passenger seating capacity of more than thirty (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:

- (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**;

Insuring Clause – What we cover (cont.)

What we exclude (cont.)

- (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. Defamation

Defamation:

- (a) made prior to the commencement of the **period of insurance**;
 - (b) made by **you** or, at **your** direction, with the knowledge that it is false; or
 - (c) related to advertising, publishing, printing, broadcasting or telecasting activities conducted by **you** or on **your** behalf.
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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, unless such use is carried out in strict compliance with all relevant workplace health and safety law and Australian Standards AS 1674.1-1997 Safety in welding and allied processes - Fire precautions and AS 1674.2 -2007 Safety in welding and allied processes - Electrical (or if not current any subsequent amendments or replacements), available from www.standards.org.au.

22. Underground works

Any underground works including digging, trenching or excavation unless **you** can establish that **you, your employees** or anyone else carrying out the work on **your** behalf :

- (a) strictly complied with all relevant workplace health and safety law and, as applicable to the work, Australian Standards:
 - (i) AS 2885 Gas and liquid petroleum (General Requirements);
 - (ii) AS 4645-2005 Gas distribution network management;
 - (iii) AS 4801:2001 Occupational Health and Safety Management Systems;
 - (iv) AS 5488 Classification of Subsurface Utility Information;
 - (v) AS 5577 Electricity network safety management systems; and
 - (vi) AS/NZS 3012 Electrical installations— Construction and demolition sites, (or if not current any subsequent amendments or replacements), available from www.standards.org.au; and
 - (b) in carrying out this work, located all underground services before undertaking any underground work, including by making a Dial Before You Dig inquiry, where appropriate
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Insuring Clause – What we cover (cont.)	What we exclude (cont.)
	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: <ul style="list-style-type: none"> (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: <ul style="list-style-type: none"> (a) you; (b) any employee; or (c) any person performing any voluntary work or service for you or on your behalf.
	25. Contract works The erection, construction, demolition of or alteration or addition to buildings or structures, or installation work, by you , or on your behalf, except where the contract value of such work payable to you or by you does not exceed \$500,000.

Extra Covers

If a claim is covered under “Insuring Clause – What we cover” in this Policy Section, **we** will also pay or provide the Extra Cover set out below.

Legal costs

What we cover	What we exclude
<p>If 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 prior written consent, in the settlement or defence of the claim for compensation made against you.</p> <p>Any amount payable under this Extra Cover is in addition to the limit of liability.</p>	

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	What we exclude
<p>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.</p>	

2. Property in your physical or legal control

What we cover	What we exclude
<p>Under this Additional Benefit, we will pay a claim for your legal liability covered by this Policy Section:</p>	
<p>(a) to any customer, principal or person for whom you perform work in the course of the business for:</p>	
<p>(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;</p>	
<p>(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;</p>	
<p>(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,</p>	
<p>subject to a maximum of \$5,000 in respect of any one occurrence and in the aggregate for any one (1) period of insurance unless some other limit of liability is specified in the policy schedule or attached by endorsement</p>	
<p>(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;</p>	
<p>(c) for property damage to your directors' or employees' property to the extent it is not otherwise covered under Policy Section 1 – Property damage;</p>	
<p>(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</p>	
<p>(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 (1) occurrence is \$250,000 or any other greater amount is shown on your policy schedule.</p>	

What we cover (cont.)

This Additional Benefit 2 applies as if the words "owned or controlled by someone else" were deleted from the definition of **legal liability** and Policy Section Exclusion 20 – Property in physical or legal control does not apply to this Additional Benefit 2.

What we exclude (cont.)

3. Vehicles

What we cover

Under this Additional Benefit, **we** will pay a claim for **your legal liability** covered by this Policy Section for:

- (a) **personal injury** arising out of an **occurrence** and 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**,
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What we exclude

What we cover (cont.)

What we exclude (cont.)

provided that in relation to paragraphs (e) to (g) above:

- (i) the **damage** results from an **occurrence** taking place on **your premises** or on a private property where the repair and/or servicing of the vehicle was being undertaken 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**; and
- (ii) the most **we** will pay for **your legal liability** in respect of any one (1) **occurrence** is \$250,000 unless some other sub-limit is shown on **your policy schedule** or attached by **endorsement**.

This Additional Benefit applies as if the words "owned or controlled by someone else" were deleted from the definition of **legal liability**, Policy Section Exclusion 5 – Vehicles does not apply to the whole of this Additional Benefit.

Policy Section Exclusion 20 – Property in physical or legal control does not apply to subparagraphs (e) through to (g) of this Additional Benefit.

Excess

In relation to paragraphs (e) to (g) under "What we cover" the following **excesses** are payable:

- (a) \$1,000 when the **vehicle** is being driven by a person under 25 years of age; or
- (b) \$250 when the **vehicle** is being driven by a person who has not held a driving licence in relation to the class of **vehicle** for two (2) 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**.

4. Principals

What we cover

Under this Additional Benefit, **we** will extend the cover for **legal liability** covered by this Policy Section to a **principal** of **yours** who shall be subject to the terms and conditions of this **policy**, including without limitation, the General Claims Conditions and General Exclusions.

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

Under this Additional Benefit, **we** will extend the cover for **legal liability** covered by this Policy Section to an **interested party** who shall be subject to the same terms and conditions of this **policy**, including without limitation, the General Claims Conditions and General Exclusions.

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 work or services in connection with **your business** as part of an undertaking or contract entered into between **you** and the **interested party**;
- (b) to the extent the cover under this Additional Benefit is required by the contract or agreement between **you** and the **interested party**; and
- (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.

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
- (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**.

This Additional Benefit will not extend to an **interested party** that is also a **principal**.

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 **business** visit 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.

What we exclude

This Additional Benefit will not extend to **legal liability** arising from, or in connection with, the performance of manual work, or the supervision of manual work, by **you**.

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 will 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 any **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** except for those legal costs covered under 'Extra Cover 1 – Legal costs' that were incurred with respect to the **occurrence** by **you** with **our** permission prior to the date of payment of the **limit of liability**.

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 legal costs covered under 'Extra Cover 1 – Legal costs' with respect to the **occurrence**, will be limited to that proportion of those legal costs as the **limit of liability** bears to the amount paid to dispose of the claim or legal action.

Example:

Limit of liability = \$10,000,000

Payment to dispose of the claim = \$20,000,000

Legal costs incurred under Extra Cover 1 = \$100,000

Limit of liability is 50% of amount paid to dispose of the claim

Our liability for legal costs is limited to 50% of \$100,000 = \$50,000 (less any applicable **excess**).

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. Please refer to General Claims Condition 11 – Paying your excess for information about the options for paying the **excess**.

Policy Section Conditions

These conditions apply to all covers and claims under this Policy Section in addition to the General Policy Conditions on pages 16 to 19.

If **you** do not comply with these Policy Section Conditions, **we** may:

- (a) refuse to pay a claim or reduce the amount **we** pay (to the extent to which **we** are prejudiced in respect of the claim as a result of **your** non-compliance); and/or
- (b) recover from **you** any costs and/or any monies **we** have paid; and/or
- (c) cancel **your policy**.

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. Exercise care and take action

You must:

- (a) exercise care to avoid and minimise **personal injury** or **property damage**, which includes taking measures to maintain all **premises**, fittings and plant in sound condition; and
- (b) at **your** own expense take 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 reasonable time. **Our** inspection, or lack of inspection, does not constitute a recognition, admission or waiver of rights by **us** that any **property insured** or operation of **your business** is safe.

Definitions

The following defined words in this Policy Section have the meanings given to them as set out below. These meanings only apply to this Policy Section and the terms and conditions of this **PDS** as they apply to this Policy Section and prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording (including in the General Definitions).

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.

Legal liability

You are legally liable to pay compensation for:

- (a) a **property damage** in respect of property owned or controlled by someone else; or
- (b) **personal injury** to another person (other than **employees**); or
- (c) **advertising liability**,

which:

- (i) occurs during the **period of insurance**;
- (ii) is caused by an **occurrence** in connection with the **business**;
- (iii) occurs within the **geographic limitations**; and
- (iv) was not intended or expected by **you**.

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.

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/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) 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 7 – Management liability

About this Policy Section

This Policy Section covers for the management liability of **you, your directors, officers and employees**. The cover in this Policy Section (apart from Optional Cover 1 – Employee dishonesty) is issued on a “claims made and notified basis”, which is discussed on page 2.

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 **financial loss** as described under ‘Insuring Clause – 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 **financial loss** is not excluded by any of the exclusions under what ‘What we exclude’; and
- the **financial loss** is not excluded by any of the General Exclusions listed on pages 24 to 26.

Insuring Clause – What we cover	What we exclude
We will cover you for financial 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>This Policy Section does not cover:</p> <p>Exclusion 1 – Bodily injury and property damage</p> <p>Financial loss resulting from claims:</p> <ul style="list-style-type: none">(a) for bodily injury, any form of psychiatric, psychological or mental injury, illness, disease or death of any person; or(b) for damage to or destruction of any tangible property including any resulting consequent loss of use. <p>This exclusion will not apply to any actual or alleged psychiatric, psychological or mental injury alleged in any claim by any insured person resulting from any employment wrongful act.</p> <p>Exclusion 2 – Dishonest or criminal intent or improper conduct</p> <p>Financial loss resulting from claims against you arising directly or indirectly from or in respect of:</p> <ul style="list-style-type: none">(a) any wrongful act committed by you with wilful, reckless, dishonest, fraudulent, malicious or criminal intent;(b) an insured person or trustee improperly using their position to gain an advantage for themselves or someone else or to cause a detriment to the company or the superannuation fund; or(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>in each case only if established by formal written admission by you or final decision of a court or tribunal.</p>

Insuring Clause – What we cover (cont.)

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 Cover 1 – Employee dishonesty of this Policy Section.

Exclusion 3 – Known claims and circumstances

Financial 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

Financial 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 under section 236 of the Corporations Act 2001, 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 Cover 1 – Employee dishonesty of this Policy Section.

Exclusion 5 – Contractual liability

Financial loss resulting from **claims** against the **company** arising directly or indirectly from or in respect of the **company's** liability under any contract or agreement, other than liability that would have attached in the absence of such contract or agreement, except that this exclusion will not apply in respect of a **claim** for an **employment wrongful act**.

Exclusion 6 – Pollution

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

Exclusion 7 – Intellectual property rights

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

Exclusion 8 – Restrictive trade practices

Financial 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

Financial 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

Financial 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) **Financial loss** resulting from 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) **Financial loss** resulting from 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**.

However, this exclusion does not apply to any recognition or enforcement action brought or instituted within Australia or New Zealand relating to a judgment

Insuring Clause – What we cover (cont.)	What we exclude (cont.)
	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 Financial 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 - Workplace health and safety law Financial loss resulting from claims arising directly or indirectly from or in respect of any breach of workplace health and safety law.
	Exclusion 15 – Subsidiaries Financial loss resulting from any wrongful act committed or alleged to have been committed by a subsidiary or its directors, officers or employees 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**.

1. Advancement of defence costs and representation expenses

What we cover	What we exclude
<p>We will advance defence costs and representation expenses covered under this Policy Section including under Additional Benefit 5 – Workplace health and safety expenses and Additional Benefit 6 – Pollution expenses of this Policy Section.</p> <p>However, if and to the extent that you are not entitled to cover for financial 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.</p> <p>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.</p> <p>Provided that if it is found by way of a formal written admission by you or final decision of a court or tribunal 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 by you.</p>	

2. Continuity

What we cover	What we exclude
<p>In the absence of fraudulent non-disclosure or fraudulent misrepresentation, where a claim that would otherwise be covered by this Policy Section is excluded by Exclusion 3 – Known claims and circumstances, then cover is provided under this Policy Section, provided that:</p> <p>(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</p> <p>(b) no related claim has been made against you prior to the period of insurance.</p> <p>The cover provided under this Additional Benefit will be in accordance with this Policy Section, except that:</p> <p>(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</p> <p>(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.</p>	

3. Acquisition or creation of new subsidiaries

What we cover	What we exclude
<p>If, during the period of insurance, the policyholder acquires or creates a new subsidiary that has total assets (by reference to the new subsidiary's most recent financial statements as at the time of acquisition or creation) that are no greater than the total assets of the policyholder (by reference to the policyholder's most recent financial statements as at the time of acquisition or creation), then the definition of company will be extended to include the new subsidiary with effect from the date of acquisition or creation of such subsidiary by the policyholder.</p>	<p>The definition of company does not include any new subsidiary acquired or created by the policyholder that:</p> <p>(a) has any of its securities listed on any exchange in the United States; or</p> <p>(b) is domiciled or incorporated in the United States.</p>

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) to the extent permitted by law any insurance contract specified by **endorsement**,

available from or through the **non-profit outside entity** or **outside entity**.

What we exclude

5. Workplace 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 – Workplace health and safety law and General exclusion 3 – 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 workplace 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 workplace health and safety law; and
- (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 workplace 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**) **we** have first agreed to pay, 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**.

What we exclude

What we cover (cont.)

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.

What we exclude (cont.)

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 3 – 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.

What we exclude

7. Emergency costs

What we cover

If, due to an emergency, **you** are unable to request **our** agreement 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 first obtaining **our** agreement until such time as **you** contact or reasonably could have contacted **us**.

What we exclude

8. Personal tax liability

What we cover

The definition of **financial loss** is extended to include any personal liability an **insured person** incurs with respect to unpaid taxes if the **company** becomes insolvent.

The most **we** will pay for all **claims** covered under this Additional Benefit in total is \$25,000 for any one (1) **period of insurance**.

What we exclude

9. Public relations expenses

What we cover

The definition of **financial loss** is extended to include the reasonable costs, charges, fees and expenses **we** have first agreed to pay, of a public relations firm or consultant which **you** engage to prevent or limit the adverse effects or negative publicity that results from or is anticipated to result from a **claim**.

The most **we** will pay under this Additional Benefit in total is \$25,000 for any one (1) **period of insurance**.

What we exclude

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 (1) **business crisis event** is \$25,000.

What we exclude

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 **financial 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.

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 **financial 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 **financial loss**, except to the extent the **claim** alleges any act, error or omission by the **insured person's spouse**.

What we exclude

12. Retired directors and officers

What we cover	What we exclude
In the event that this Policy Section is neither renewed nor replaced with or by us or another insurer, 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	What we exclude
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 ninety (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 Cover

We will provide the following Optional Cover when requested by **you**, when **you** pay any additional premium required and when shown as insured on **your policy schedule**.

This Optional Cover is provided subject to the General Exclusions and all the terms, conditions and exclusions that apply to this Policy Section, unless stated otherwise.

Any amounts payable under this Optional Cover are in addition to the 'Management Liability' **insured amount**.

1. Employee dishonesty

What we cover	What we exclude
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 and is discovered within twelve (12) months of the expiry of the period of insurance in which it occurred. A series of related, continuous or repeated acts of fraud or dishonesty (whether by any one (1) employee or any number of employees in collusion) will be treated as a single act of fraud or dishonesty even if committed during more than one (1) period of insurance insured with us . However, if the act of fraud or dishonesty is committed during more than one (1) period of insurance insured with us , you shall be entitled to elect in which of these periods 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 .	We will not cover you for any fidelity loss arising from any act of dishonesty committed more than twelve (12) months before the inception of this Policy Section. We will not cover you for more than the lesser of the: (a) insured amount shown on your policy schedule ; or (b) the amount that would have been paid under any previous insurance policy had it continued in force until the discovery of the fidelity loss . This Optional Cover does not cover you for: (a) any fidelity loss arising from the conduct of an employee , discovered later than: (i) twelve (12) months after the expiry of the period of insurance ; or (ii) twelve (12) months after the termination of employment of the relevant employee(s) , whichever occurs first; or

What we cover (cont.)	What we exclude (cont.)
	<ul style="list-style-type: none"> (b) any fidelity loss arising from the conduct of an employee after you were aware that the employee had previously committed an act of fraud or dishonesty before or after the date of commencement of employment by you; (c) fidelity loss arising from the conduct of an employee outside of Australia or New Zealand; (d) 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; (e) fraud or dishonesty by any of your employees committed with your knowledge or consent; (f) loss of profit or income, loss of use, loss of earning capacity, loss caused by delay, lack of performance, loss of contract, or depreciation in value or any other loss or damage that is not insured fidelity loss; or (g) fidelity loss arising directly or indirectly from or in respect of the actual or alleged theft of confidential information or intellectual property.

Optional Cover Extra Covers

If a claim is covered under Optional Cover 1 – Employee dishonesty, **we** will also pay or provide the Extra Covers set out below.

1. Claims preparation costs

What we cover	What we exclude
<p>We will pay for the reasonable cost of auditors' fees and other reasonable expenses we have first agreed to pay, for the preparation of claims under this Optional Cover.</p> <p>The most we will pay for all claims preparation costs covered under this Extra Cover in total is \$25,000 for any one (1) period of insurance.</p> <p>Any amounts payable for claims preparation costs do not apply in addition to the insured amount applicable to this Optional Cover.</p>	

2. Retroactive cover

What we cover	What we exclude
<p>If Optional Cover 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:</p> <p>(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</p> <p>(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.</p>	

3. Welfare, social or sporting club cover

What we cover	What we exclude
<p>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.</p> <p>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 Cover.</p>	

Policy Section Conditions

These conditions apply to all covers and claims under this Policy Section in addition to the General Policy Conditions on pages 16 to 19 and General Claims Conditions on pages 19 to 24 that apply to this Policy Section.

If **you** do not comply with these Policy Section Conditions **we** may:

- (a) refuse to pay a claim or reduce the amount **we** pay (to the extent to which **we** are prejudiced in respect of the claim as a result of **your** non-compliance); and/or
- (b) recover from **you** any costs and/or any monies **we** have paid; and/or
- (c) cancel **your policy**.

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

This Policy Section Condition does not apply to Optional Cover 1 – Employee Dishonesty.

4. Notification

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

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

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

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

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

If the **policyholder** does not notify **claims**, **financial loss** or **business crisis events** as soon as reasonably practicable within the **period of insurance**, **our** liability may be reduced by an amount that fairly represents the extent to which **our** interests were prejudiced as a result of **your** delay in notifying **us** of the **claim**, **financial loss** or **business crisis event**.

5. Claims conduct

In relation to **claims** against **you**, **we** have the right and full discretion to conduct **claims**. **We** may engage legal or other representatives to assist in the conduct of a **claim**. At all times **we** reserve the right to negotiate and settle a **claim** on terms **we** consider appropriate. **You** must allow **us** to make admissions, settle or defend **claims** made against **you** on **your** behalf.

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 paid 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 **financial 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

When allocation of loss applies

In the event that:

(a) a **claim** against **you** results in:

- (i) **financial loss** which is partly covered and partly not covered by this Policy Section; or
- (ii) **financial loss** for which some of **you** are covered and some of **you** are not covered by this Policy Section (whether the **claim** is made against **you** jointly or severally); or

(b) a claim is made against **you** and also against other persons not covered by this Policy Section which results in **financial loss**, some of which is covered and some of which is not covered by this Policy Section (whether the claim is made against **you** jointly or severally),

(together "Loss to be Allocated"), then **we** must decide a fair and reasonable allocation between the covered and uncovered **financial loss** and/or the covered and uncovered persons.

This fair and reasonable allocation of the covered part of the Loss to be Allocated among the relevant **insureds** and **us** will have regard to the extent of each **insured's** comparative responsibility for the Loss to be Allocated.

What we must take into account of when deciding allocation

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

- (a) the nature of the **claim** against each **insured**;
- (b) the issues of fact and law in relation to each **insured**;
- (c) the content and the manner of the conduct of any defence of the **claim**;
- (d) the relative degree of personal responsibility for the **financial loss**;
- (e) the extent to which the **insured's** responsibility for the **financial loss** is joint, several or shared;
- (f) the extent to which any person or entity, other than that **insured**, would obtain a benefit from the payment by **us**;
- (g) the extent to which the **financial loss** is solely of that **insured**;
- (h) the extent to which the issues in the **claim** against that **insured** are in common with the issues in the claim against any other person or entity;
- (i) the extent to which the **financial 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 do not agree with our allocation decision

If **you** wish to dispute **our** decision in respect of the allocation, each party agrees that the dispute must be referred for expert determination in accordance with the Australian Dispute Centre ("ADC") Rules for Expert Determination (the Rules),

available from www.disputescentre.com.au, to an expert agreed by the parties, or if the parties do not agree on an expert, an expert nominated by ADC in accordance with the Rules.

Each party agrees to sign an agreement with the expert that confirms the following matters, unless contrary to the Rules or the requirements of the ADC:

- (a) the payment of fees for the appointed expert (Note: refer to 'Cost of the Expert Determination' below for more information); 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 legal representatives or other persons with information or knowledge relevant to the determination of the allocation in accordance with the Rules, the meeting is not a hearing); and
- (c) the expert must provide their a determination, subject to receiving all information required, within thirty (30) days after the agreement is signed, unless:
 - (i) another time is agreed between the parties, in which case the agreement will provide for this timeframe; or
 - (ii) the expert must comply with a timeframe as set by the ADC, in which case the agreement will provide for this timeframe; and
- (d) the expert must provide written reasons for the determination; and
- (e) the expert's decision will be binding on the parties and final; and
- (f) 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 – Recoveries and General Claims Condition 15 Rights of Recovery.

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

Cost of the Expert Determination

We will pay for the cost of the Expert Determination above, including **your** share of the costs.

The ADC may require each party to bear the cost of the Expert Determination in equal proportions and require each party to individually pay their share of any cost required directly (including any fee, deposit or other amount charged). Where this is required, **you** must pay the costs accordingly and **we** will separately reimburse **you** for the cost of the Expert Determination.

Example of allocation:

A **claim** is made against both the **directors** and the **company** for breach of a third party's intellectual property rights. The **claim** against the **company** is excluded by Exclusion 7 – Intellectual property rights but this exclusion does not apply to the **claim** against the **directors**. The **claim** is settled for \$10,000,000 and legal costs of \$2,000,000 are incurred on behalf of both the **company** (not covered) and the **directors** (covered). **We** decide in settling the **claim** that 40% of the legal costs and 40% of the compensation component relates to the **insured directors'** liability for the loss.

We pay \$800,000 of legal costs and \$4,000,000 of compensation and claimant's costs.

8. Recoveries

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.

If **you** disclose the existence or terms of this Policy Section without obtaining **our** prior written consent, unless **you** are required by law or stock exchange rules to do so, **we** may refuse to pay a claim or reduce the amount **we** pay (to the extent to which **we** are prejudiced in respect of the claim as a result of **your** disclosure).

What we will pay

Our liability to **you** under this Policy Section in respect of **financial 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** in the aggregate for all **financial loss** covered under the Policy Section during the **period of insurance**.

Except as provided by Optional Cover 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 Cover 1 – Employee dishonesty, **we** will:

- (a) pay **you** the amount of lost **money**; and
- (b) replace lost **covered property** or pay the market value of the **covered property** if the item is unable to be replaced.

Notwithstanding that the act of fraud or dishonesty may have been committed during more than one **period of insurance**, the maximum amount **we** will pay for all claims covered under Optional Cover 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**. Please refer to General Claims Condition 11 – Paying your excess for information about the options for paying the **excess**.

If a **claim** is covered under Additional Benefit 2 – Continuity then a higher **excess** will apply if the **excess** applicable to the Management liability Policy Section in force at the time when **you** first became aware of such fact, event, circumstance or **wrongful act** is higher than the **excess** specified in **your policy schedule**.

The **excess** that applies to each claim for **fidelity loss** covered by Optional Cover 1 – Employee dishonesty is shown on **your policy schedule**.

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

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

Definitions

The following defined words in this Policy Section have the meanings given to them i as set out below. These meanings only apply to this Policy Section and the terms and conditions of this **PDS** as they apply to this Policy Section and prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording (including in the General Definitions).

Benefits

Means:

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

Business crisis consultant fees

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

Business crisis event

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

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

Claim

Means:

- (a) a written communication, including electronic communications, 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 was prior to, or is during or after the **period of insurance**, a validly appointed director (as defined in the Corporations Act 2001 or any equivalent provision in the jurisdiction in which the **company** is incorporated) of the **company**.

Discover/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 expiry 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**.

When **you** are a **company**, "**you**" means 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 of the **company**.

Employee

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

Employment wrongful acts

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

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

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

Fidelity loss

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

Fidelity loss does not mean:

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

Financial loss

- (a) any amount, whether determined by judgment, verdict or award for which **you** are legally liable to pay including compensation orders, pre- and post-judgment interest, awards of costs or settlements including claimant's costs;
- (b) **defence costs**;
- (c) **representation expenses**;
- (d) reasonable expenses **we** have first agreed to pay, incurred by **you** solely to investigate, prove and substantiate the amount of the **claim**;
- (e) fines or penalties, to the extent allowed by law; and
- (f) with respect to any **claim** for an **employment wrongful act** 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**

Financial 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**.

Insured person

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

- (a) a **director** or **officer** but only in his or her capacity as such; or
- (b) a member of a committee established by or approved by the **company** whether by statute or otherwise but only in his or her capacity as such; or
- (c) an **employee** (whether salaried or not) of the **company**:
 - (i) to the extent that such **employee** is acting in a managerial or supervisory capacity; or
 - (ii) with respect to any **claim** alleging an **employment wrongful act**; or
 - (iii) in connection with an **official investigation**; or
 - (iv) to the extent that such **employee** is implicated in a **claim** along with a **director** or **officer**; or
- (d) acting on behalf of the **company** at the direction of an **officer** or board or committee of management of the **company** but only in his or her capacity as such

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

Means:

- (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

Means:

- (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.

Money does not mean any form of crypto-currency.

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 a proceeding or produce documents.

Outside entity

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

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

Policy committee

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

Policyholder

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

Pollution

Means:

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

Related claims

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

Representation expenses

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

Retroactive date

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

Spouse

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

Subsidiary

Means:

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

Superannuation fund

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

Trustee

Any **insured person** who:

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

Wrongful act

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

You/your/insured

Means:

- (a) the **company**;
- (b) an **insured person**; and/or
- (c) a **trustee**.

Policy Section 8 – 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 individual 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 'Insuring Clause – 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 24 to 26.

Insuring Clause – 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> <ul style="list-style-type: none">(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;(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;(c) loss or damage caused by or arising out of:<ul style="list-style-type: none">(i) the actual process of cleaning, maintenance, overhaul, repair or renovation, alteration, addition or undergoing a trade process;(ii) wear and tear, fading, gradual deterioration or developing flaws, normal upkeep or making good, or any gradual cause;(iii) moths, termites or other insects or vermin;(iv) scratching, biting or chewing by any animal;(v) chipping, scratching, denting or marring that does not materially affect the use or operation of the property insured;(vi) change in colour, loss of weight, change in flavour, texture or finish;(vii) the action of light, atmospheric conditions, any form of fungus or extremes of temperature, rust or oxidation, wet or dry rot, corrosion, inherent vice or latent defect;(viii) mechanical, hydraulic, electrical or electronic breakdown, burnout, failure, malfunction or derangement of any equipment or device;

Insuring Clause – What we cover (cont.)**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 or should reasonably have known 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) faulty materials or faulty workmanship;
 - (xx) error, failure or omission in design;
 - (xxi) spontaneous combustion, fermentation or heating; or
 - (xxii) 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 profit or income, loss of use, loss of earning capacity, loss caused by delay, lack of performance, loss of contract, or depreciation in value or any other loss or damage that is not covered under this Policy Section;
 - (h) **loss** of, or **damage** to, **property insured** as a result of:
 - (i) total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of **data**;
-

Insuring Clause – What we cover (cont.)**What we exclude (cont.)**

- (ii) breakdown or malfunction of the processing system including operator error or omission in creating, amending, loading, deleting or using **data**; or
- (iii) total or partial inability or failure to receive, send, access or use **data** for any time or at all, from any cause whatsoever, regardless of any other contributing cause or **event** whenever it may occur;
- (i) **you** for any **loss** or **damage** caused by or arising out of theft:
 - (i) committed by any person or any member of **your family** or by any of **your employees** whilst lawfully permitted to enter, be on or at the **premises**; or
 - (ii) of unattended **property insured** in the open air.
- (j) **you** for any **loss** or **damage** caused by or arising out of theft from any building or **vehicle** unless the **property insured** was:
 - (i) securely locked in 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;
 - (iii) securely chained to a **vehicle** by a steel chain and a padlock;
 - (iv) securely locked in a building or any part of the building and the theft is consequent upon forcible and violent entry to the building or that part of the building. However, **we** will not cover any theft:
 - (i) committed by any person while lawfully in the building or a tenant; or
 - (ii) 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.

Exclusions (j) (i) – (iv) do not apply when Optional Cover 1 – Theft of portable and valuable items without forced entry, of this Policy Section, is shown on **your policy schedule** to the extent of any inconsistency.

Extra Cover

If a claim for **accidental loss** or **damage** to **your property insured** is covered by this Policy Section, **we** will also provide the Extra Cover set out below.

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** 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

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 for all claims covered under this Additional Benefit in total is \$2,000 for any one (1) **period of insurance**.

What we exclude

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 **loss** or **damage** caused by or arising out of theft from any building or **vehicle** under this Additional Benefit unless the property was:

- (a) securely locked in a **vehicle** and the theft was consequent upon forcible and violent entry 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.

These exclusions do not apply when Option Cover 1 – Theft of portable and valuable items without forced entry, of this Policy Section, is shown in **your policy schedule**, except if the theft is committed by **your family** or by any of **your employees**.

Optional Cover

We will provide the following Optional Cover when requested by **you**, when **you** pay any additional premium required and when shown as insured on **your policy schedule**.

The **loss** or **damage** covered by the Optional Cover must occur during the **period of insurance**.

This Optional Cover is provided subject to the General Exclusions and all the terms, conditions and exclusions that apply to this Policy Section unless stated otherwise.

Any amounts payable under this Optional Cover are in addition to the **insured amount**.

1. 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 vehicle**; or
- (c) stolen whilst **you** were loading or unloading **property insured** from the **vehicle** in the normal cause of **your** work.

The most **we** will pay under this Optional Cover is \$2,000 for any one (1) **event** and \$6,000 in total in any one (1) **period of insurance** for all claims covered under this Optional Cover.

Excess

An **excess** of \$500 applies to any claim under this Optional Cover.

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 a claim for **accidental loss** of, or **damage** to, **property insured** is covered under this Policy Section **we** will:

- (a) replace **specified items** or **unspecified items** with similar property;
- (b) pay **you** the amount shown on **your proof of purchase** for **specified items**; or
- (c) pay the reasonable cost of repairing or replacing the **specified items** or **unspecified items** to a condition substantially the same as, but not better or more extensive than, its condition when new.

If **we** replace or pay the cost of replacing any **specified item**, **you** will need to contact **us** to update the details of the replacement item to continue the cover.

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 more than \$2,500.

Excess

The **excess** that applies for each claim **you** make is shown on **your policy schedule**. Please refer to General Claims Condition 11 – Paying your excess for information about the options for paying the **excess**.

Definitions

The following defined words in this Policy Section have the meanings given to them as set out below. These meanings only apply to this Policy Section and the terms and conditions of this **PDS** as they apply to this Policy Section and prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording (including in the General Definitions).

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 9 – 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** as a result of that **breakdown**.

You can claim for **loss** or **damage** as described under 'Insuring Clause – What we cover' if:

- 'Equipment Breakdown' 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 'What we exclude'; and
- the **loss** or **damage** is not excluded by any of the General Exclusions listed on pages 24 to 26.

Insuring Clause – What we cover	What we exclude
<p>If during the period of insurance a breakdown to insured equipment occurs at your premises, we will cover:</p> <p>(a) loss of, or damage to, insured equipment resulting from the breakdown; and</p> <p>(b) any loss of, or damage to, property insured directly caused by the breakdown.</p>	<p>We do not cover you for:</p> <p>(a) loss or damage to air conditioners unless your policy schedule shows that they are covered.</p> <p>(b) loss or damage caused by or arising out of:</p> <ul style="list-style-type: none">(i) earthquake, landslide, mud flow, subsidence, subterranean fire, or volcanic eruption;(ii) storm, hail, lightning, thunder, wind, rainwater;(iii) the sea, including tidal wave, tsunami, storm surge or high water;(iv) flood;(v) fire, smoke or combustion explosion;(vi) water, liquids or substances discharged or other means used to extinguish a fire;(vii) escape of water or liquids resulting from a breakdown;(viii) aircraft or other aerial devices or articles dropped from them or sonic boom;(ix) riot, civil commotion or sabotage; or(x) vandalism or malicious damage; <p>(c) (i) delay or interruption of your business;</p> <p>(ii) lack of power, light, heat, steam or refrigeration; or</p> <p>(iii) any other indirect result of a breakdown including loss of profit or income, loss of use, loss of earning capacity, loss caused by delay, lack of performance, loss of contract, or depreciation in value or any other loss that is not covered under this Policy Section;</p> <p>(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;</p>

Insuring Clause – What we cover (cont.)**What we exclude (cont.)**

- (e) **loss** caused by or resulting from the partial or total failure, malfunction or loss of use of any **electronic equipment**, computer system, information repository, microchip, integrated circuit or other similar device due to:
 - (i) the erasure, destruction, corruption, misappropriation or misinterpretation of **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 **loss** that results 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, however, this exclusion will not apply to **loss** or **stock** covered under Optional Cover 1 – Deterioration of stock.
- (g) **damage** to foundations, brickwork and refractory materials other than as a result of **breakdown**;
- (h) the costs incurred in repairing wear and tear or gradual deterioration including:
- (i) wear and tear due to normal operation;
 - (ii) wearing or wasting away of material caused by normal operation or resulting from atmospheric conditions, rust, erosion, or oxidation;
 - (iii) **damage** to a safety or protective device caused by its own operation;
 - (iv) the chipping or scratching of painted or polished surfaces; or
-

Insuring Clause – What we cover (cont.)

What we exclude (cont.)

- (v) slowly developing deformation or distortion,
 - (i) unless required as part of repairing the **insured equipment** following a **breakdown**;
 - (j) the cost of:
 - (i) repair or replacement of **expendable items** other than **expendable items** which are necessary for the repair;
 - (ii) alterations, improvements or overhauls unless it is required for the repair or replacement;
 - (iii) modifying the **machinery** so that it operates with a more ozone friendly refrigerant gas as required;
 - (iv) carrying out of normal maintenance, such as the tightening of loose parts, recalibration or adjustments;
 - (v) alteration, additions, improvements or overhauls whether carried out in the course of indemnifiable repairs or 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.
 - (k) **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;

If **you** have selected an **insured amount** for "Equipment breakdown", as shown on **your policy schedule**, and **we** pay a claim for **breakdown** or direct **loss** or **damage** as a result of **breakdown**, **we** will also pay or provide the Extra Covers set out below. Any amounts payable under these Extra Covers will be included in the **insured amount**; or

(b) **"Repair and Replacement"**;

If "Repair and Replacement" is shown on **your policy schedule** and **we** 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 'Insuring Clause – What we cover'.

1. Hazardous substances

What we cover	What we exclude
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 . The most we will pay for any one (1) breakdown under this Extra Cover is \$25,000.	

2. Expediting expenses

What we cover	What we exclude
We will pay for the reasonable extra cost, including overtime work and express or rapid means of transportation, necessary to: (a) make temporary repairs; (b) expedite permanent repairs; or (c) expedite permanent replacement, of the insured equipment which was damaged . The most we will pay under this Extra Cover for these expediting expenses in total for any one (1) breakdown is \$25,000.	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. We will not cover any claims under this Extra Cover 2 - Expediting Expenses if we have provided cover under Extra Cover 3 - Temporary hire costs of this Policy Section.

3. Temporary hire costs

What we cover	What we exclude
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 . We will pay such hire costs up to 50% of the cost to repair or replace the damaged insured equipment and other property insured which was damaged up to a maximum of \$25,000 for any one (1) breakdown .	We will not cover any claims under this Extra Cover 3 - Temporary hire costs if we have provided cover under Extra Cover 2 - Expediting expenses of this Policy Section.

4. Reinstatement

What we cover	What we exclude
<p>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.</p>	

Additional Benefit

We will also provide the following Additional Benefits 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 Benefits 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	What we exclude
<p>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'.</p>	

2. Additional items

What we cover	What we exclude
<p>If you:</p> <ul style="list-style-type: none">(a) hire equipment similar to equipment already insured under this Policy Section; or(b) purchase new equipment and commission it at your premises, <p>we will consider this equipment to be added to the insurance by this Policy Section provided that:</p> <ul style="list-style-type: none">(i) cover for all additional items during the period of insurance shall not exceed the insured amount for contents under Policy Section 1 – Property damage;(ii) you give us notice within ninety (90) days and pay the appropriate extra premium on a pro rata basis together with any applicable statutory charges;(iii) the items are, as far as you are aware, suitable for service, free from material defect and in sound working condition; and(iv) the items of new equipment shall not be insured until successfully commissioned and all relevant statutory provisions for inspections and certification applicable to your insured equipment have been fulfilled.	
<p>We do not cover under this Additional Benefit second hand equipment that you purchase.</p>	

Optional Covers

We will provide the following Optional Covers when requested by **you**, when **you** pay any additional premium required and when shown as insured on **your policy schedule**.

These Optional Covers are provided subject to the General Exclusions and all the terms, conditions and exclusions that apply to this Policy Section unless stated otherwise.

Any amounts payable under these Optional Covers are in addition to the **insured amount**.

1. Deterioration of stock

What we cover	What we exclude
<p>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:</p> <p>(a) A change in temperature of the insured equipment as a result of:</p> <ul style="list-style-type: none">(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 damage to, the insured equipment under this Policy Section; or(ii) 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;(iii) accidental failure of supply services which directly affects the insured equipment;(iv) 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(v) sudden leakage of refrigerant from the insured equipment. <p>(b) Contamination of the refrigerated stock by leakage of refrigerant from the insured equipment.</p>	<p>We do not cover:</p> <ul style="list-style-type: none">(a) loss or deterioration resulting from any scheme of rationing which is not necessitated solely by damage to the generating or supply equipment of a supply authority;(b) loss or deterioration caused by disease, improper storage, damaged packaging material or inadequate ventilation or air circulation;(c) loss or deterioration of refrigerated stock that is alive or of a bacterial nature;(d) loss or deterioration of refrigerated stock stored in mobile machinery or a boiler and pressure plant;(e) 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(f) loss or deterioration occurring while the refrigerated stock is in transit or is situated in any vehicle.

The most **we** will pay under this Optional Cover in total in any one (1) **period of insurance** is the **insured amount** for 'Deterioration of stock' specified in **your policy schedule**.

2. Restoration of Computer Data

What we cover	What we exclude
<p>We will cover you for the reasonable costs of restoring data stored on media if:</p> <ul style="list-style-type: none">(a) we pay a claim under this Policy Section for loss or damage as a result of breakdown to insured equipment;(b) the data is lost, damaged or distorted during the period of insurance as a direct result of the breakdown; and(c) the media which contains the data is:<ul style="list-style-type: none">(i) at the premises;(ii) at a location away from the premises where copies of media are stored;(iii) temporarily at any alternative location for processing purposes; or(iv) in transit between any of the locations listed in (i) to (iii) above. <p>The most we will pay under this Optional Cover in total in any one (1) period of insurance is the insured amount for "Restoration of Computer Data" specified in your policy schedule.</p>	<p>We do not cover:</p> <ul style="list-style-type: none">(a) loss or distortion of data due to defects in the media;(b) restoration of data other than that which is lost or distorted after the most recent functional back-up;(c) expenses or costs incurred in connection with the loss or distortion of data if they are not incurred within twelve (12) months of the breakdown;(d) loss or damage of, or distortion to, data caused by a computer virus;(e) 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:<ul style="list-style-type: none">(i) the erasure, destruction, corruption, misappropriation or misinterpretation of data;(ii) any error in creating, amending, entering, deleting or using data;(iii) the inability to receive, transmit or use data; 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, <p>except to the extent that such loss, damage or distortion results solely from the breakdown of insured equipment covered by this Policy Section.</p>

3. Increased cost of working

What we cover	What we exclude
<p>Following a breakdown during the period of insurance to any insured equipment, 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:</p> <ul style="list-style-type: none">(a) we pay a claim under this Policy Section for loss or damage as a result of breakdown of insured equipment; and(b) the increased costs of operating your business occur during the period of insurance and are a direct result of the breakdown. <p>The most we will pay under this Optional Cover in total in any one (1) period of insurance is the insured amount for "Increased Cost of Working" specified in your policy schedule.</p>	<p>We do not cover:</p> <ul style="list-style-type: none">(a) costs incurred in respect of the first two (2) business days following breakdown of your computer equipment;(b) fines or liability incurred for breach of contract or for late or incomplete orders or for any loss of bonus or any kind of penalties;(c) any increased costs that are not necessary or reasonable to minimise any interruption to the business;(d) costs incurred after ninety (90) days from the date of loss or damage;(e) expenses that are incurred in the replacement of the media; or(f) the cost of reinstating the data contained on the media.

What we will pay

What **we** will pay for any one (1) **breakdown** which gives rise to **loss** or **damage** covered under this Policy Section is determined by whether **you** have chosen an **insured amount** or have chosen "Repair and replacement".

Insured amount

If **you** have chosen an **insured amount**, the maximum **we** will pay for any one (1) **breakdown** is the **insured amount** for this Policy Section shown on **your policy schedule**.

Repair and replacement

If **you** have chosen "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**:
 - (i) if **you** can repair it, **we** will pay the cost of repair; or
 - (ii) if it cannot be repaired for less than the cost of replacement, **we** will 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:

- (i) any cost of repairing or replacing any part or parts of a piece of **insured equipment** which is greater than the cost of repairing or replacing the entire piece of **insured equipment**;
- (ii) more than the cost to replace the **insured equipment** or **property insured** with equipment or property of like kind, capacity, size, quality and function;
- (iii) more than the cost to replace the **insured equipment** or **property insured** at the **premises** or adjacent site; or
- (iv) for **breakdown, loss** or **damage** to **insured equipment** or **property insured** which is useless or obsolete to **your business**.

If 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 twelve (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** 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 cover 1 – Deterioration of Stock

For claims covered under Optional Cover 1 – Deterioration of Stock, **we** will 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 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 cover 2 – Restoration of Computer Data

For claims under Optional Cover 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 Computer Data' shown on **your policy schedule**.

Optional cover 3 – Increased Cost of Working

For claims under Optional Cover 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 Costs of Working' shown on **your policy schedule** for this Policy Section.

Excess

The **excess** that applies to any one (1) claim under this Policy Section is the 'Equipment Breakdown' **excess** shown on **your policy schedule**. Please refer to General Claims Condition 11 – Paying your excess for information about the options for paying the **excess**.

If a claim is made under the insuring clause and under one of the Optional Covers in this Policy Section, which arises from the same **event**, only one 'Equipment Breakdown' **excess** applies.

Where the claim is only made under Optional Cover 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 covers and claims under this Policy Section in addition to the General Policy Conditions on pages 16 to 19 that applies to this Policy Section

If **you** do not comply with these Policy Section Conditions **we** may:

- (a) refuse to pay a claim or reduce the amount **we** pay (to the extent to which **we** are prejudiced in respect of the claim as a result of **your** non-compliance); and/or
- (b) recover from **you** any costs and/or any monies **we** have paid; and/or
- (c) cancel **your** policy.

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. 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.

Definitions

The following defined words in this Policy Section have the meanings given to them as set out below. These meanings only apply to this Policy Section and the terms and conditions of this **PDS** as they apply to this Policy Section and prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording (including in the General Definitions).

Actual cash value

The cost of replacing **damaged property insured** or **insured equipment** with property of similar kind, capacity, size, quality and function less depreciation for the age, condition, and normal life expectancy of the property.

Boiler 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 **boiler 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 10 – 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 'Insuring Clause – 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 24 to 26.

Insuring Clause – What we cover	What we exclude
<p>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.</p> <p>The type and extent of cover under this Policy Section will depend on whether you select:</p> <p>(a) Business Audit Only – with Investigation Cover (which excludes Extra Cover 2 – Directors' personal tax returns); or</p> <p>(b) Business AND Directors Audit – with Investigation Cover (which includes Extra Cover 2 – Directors' personal tax returns); or</p> <p>(c) Individual Cover (which provides cover for insureds who are not companies but excludes Extra Cover 2 – Directors' personal tax returns).</p>	<p>1. Returns not prepared by a tax agent</p> <p>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:</p> <p>(a) Goods and Services Tax;</p> <p>(b) income derived from:</p> <p>(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;</p> <p>(ii) any payment from superannuation, pension or their retirement benefit; or</p> <p>(iii) personal investments that you are not wholly or mainly dependent on.</p> <p>2. Representations, errors in information and improper conduct</p> <p>Any professional fees relating to, arising from or in connection with:</p> <p>(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;</p> <p>(b) any fraudulent act or fraudulent omission or statement made to an authority arising from any act committed deliberately or with your wilful intent;</p> <p>(c) an authority, or its authorised representative, having assessed your behaviour as being a case of intentional disregard or recklessness;</p>

Insuring Clause – What we cover (cont.)

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 ninety (90) 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.
-

Insuring Clause – What we cover (cont.)

What we exclude (cont.)

(b) Any **professional fees** that are:

- (i) associated with any **return** lodged outside Australia and its external territories; or
- (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**;
-

Insuring Clause – What we cover (cont.)	What we exclude (cont.)
	<ul style="list-style-type: none"> (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 (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 workplace health and safety compliance or similar requirements.

Extra Covers

If a claim for **professional fees** is covered by 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 also pay for **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**, respectively, which is commenced and notified to **us** during the **period of insurance**.

This Extra Cover only covers a **tax audit** of each director's personal income tax **return** that was prepared by the same **tax agent** that prepared the income tax **return** for the **business** for 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**.

What we exclude

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 covers and claims under this Policy Section in addition to the General Policy Conditions on pages 16 to 19 that apply to this Policy Section

If **you** do not comply with these Policy Section Conditions **we** may:

- (a) refuse to pay a claim or reduce the amount **we** pay (to the extent to which **we** are prejudiced in respect of the claim as a result of **your** non-compliance); and/or
- (b) recover from **you** any costs and/or any monies **we** have paid; and/or
- (c) cancel **your policy**.

1. Your obligations

You must:

- (a) make a genuine attempt to comply with obligations enforced under taxation law;
- (b) lodge **your tax return** or statement on time;
- (c) engage a registered **tax agent** or BAS agent to lodge **your return** or statement;
- (d) not make any false or misleading statement;
- (e) provide **your tax agent** or BAS agent with details of all **your** assessable income; and
- (f) have the necessary records to prove expense claims.

2. 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, the earliest of the following occurs:

- (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.

3. 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.

4. Claims

For any claim:

- (a) **you** must notify **us** within ninety (90) 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 reasonable steps to minimise any delays and costs incurred or likely to be incurred, for example by ensuring all correspondence, requests or inquiries from an **authority** is dealt with within the required time and where there is no required time, a reasonable time; and
- (d) **you** must submit to **us** all accounts for **professional fees** that relate to **your** claim upon completion of the **tax audit**.

What we will pay

Subject to Extra Cover 1 – Reinstatement of insured amount, 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 'Insuring Clause – 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 24 to 26; and
- (d) the **tax audit** has been completed (as defined in Policy Section Condition 2 - Commencement and completion of a tax audit above).

Excess

The **excess** that applies is shown on **your policy schedule**. Please refer to General Claims Condition 11 – Paying your excess for information about the options for paying the **excess**.

Definitions

The following defined words in this Policy Section have the meanings given to them as set out below. These meanings only apply to this Policy Section and the terms and conditions of this **PDS** as they apply to this Policy Section and prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording (including in the General Definitions).

Authority

The Australian Taxation Office, a revenue office of an Australian State or Territory, a Commonwealth, State or Territory government department, body or agency which is duly authorised to conduct a **tax audit**.

Designated tax

Any tax assessable in accordance with the provisions, as those laws are amended, and includes any associated regulations, of the following legislation:

- (a) Income Tax Assessment Act 1936 (Cth);
- (b) Income Tax Assessment Act 1997 (Cth);
- (c) Taxation Administration Act 1953 (Cth);
- (d) Fringe Benefits Tax Assessment Act 1986 (Cth);
- (e) A New Tax System (Goods and Services Tax) Act 1999 (Cth);
- (f) Superannuation Guarantee (Administration) Act 1992 (Cth);
- (g) Termination Payments Tax (Assessment and Collection Act) 1997 (Cth); or
- (h) any legislation of an Australian State or Territory relating to payroll tax.

Individual

Means:

- Sole trader; or
- a partner in a partnership.

Note: Each 'partner' will need to have a separate policy.

Individual does not include:

- an **employee**; or
- any trust beneficiary; or
- any director who is not covered under the 'Business AND Directors Audit – with Investigation Cover'.

Intentional disregard

You intentionally disregard the law if **you** are fully aware of a clear tax obligation and **you** disregard the obligation with the intention of bringing about certain results.

Policyholder

The sole trader, a partner or a business 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 service;
- (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 twelve (12) months or more after the commencement date of a **tax audit** other than when **you** can reasonably demonstrate that the delay in completing the **tax audit** was caused primarily by the **authority**.

Recklessness

A reasonable person in the same circumstances would have been aware that there was a real risk of a **shortfall amount** arising and **you**, or **your tax agent** disregarded, or showed indifference to, that risk.

Return

Any return legally required to be, and that is actually lodged with, an Australian Commonwealth, State or Territory government authority 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 was not false or misleading; or
- (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 was not false or misleading.

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 business entity named as 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 11 – Commercial motor

Please note that if **you** are insuring **vehicles** not exceeding 2 tonnes under this Policy Section **you** should also read Part 3 of this **PDS**.

About this Policy Section

This Policy Section:

- **your vehicles** described on **your policy schedule**.
- these accessories if they are attached to or are in or on **your vehicle**:
 - baby capsule/car seat
 - bonnet protector
 - built in refrigerator
 - bull bar
 - CB and/or 2 way radio
 - dash mats
 - decorative wheel trims
 - driving lights
 - fire extinguishers
 - fixed GPS units
 - fixed roof/ladder racks
 - floor mats
 - headlamp guards
 - mud flaps
 - paint protection
 - panel/rust protection
 - pin striping
 - decals
 - protective mouldings
 - rear louvre sunshade
 - registration plate covers
 - seat covers
 - side steps for a 4WD
 - sign writing
 - sound system (fitted as standard by manufacturer)
 - spare wheel cover
 - steering locks
 - tarpaulins
 - tools supplied as standard by the manufacturer or similar replacement
 - tow bars
 - tool boxes
 - weather shield
 - winch.

But **we** do not cover sound systems not fitted as standard by the manufacturer nor the contents of a tool box, unless one of the items listed above.

- other vehicle accessories or modifications if **we** have agreed to insure them as part of **your vehicle** and they are shown on **your policy schedule**.

Cover options

You can choose between three (3) different types of cover for each **vehicle you** insure:

1. Comprehensive cover which covers the **accidental damage** to **your vehicle**, and the cover offered by Legal Liability cover.
2. Legal Liability, Fire and Theft cover.
3. Legal Liability Only cover which covers supplementary bodily injury and **damage** to third party property only.

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 loss of, or damage to, your vehicle caused by an fire, explosion, lightning, theft or attempted theft, storm (including hail) or any other cause. 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 loss of, or damage to, your vehicle caused by fire, explosion, lightning, theft or attempted theft, or storm (including hail) 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 'Insuring Clause – 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 pages 187 to 188, the General Exclusions on page 24 to 26 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** 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 that **you** tell **us** about the additional vehicle within (thirty) 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** fourteen (14) 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 fourteen (14) days after **we** have told **you we** are unable to continue covering the additional vehicle.

If **you** have only one (1) type of cover option for **your vehicle(s)**, for example 'Comprehensive cover', that will be the 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, for example 'Comprehensive cover' and 'Legal Liability Fire and Theft cover', **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 **insured amount** of any additional vehicle will be its **market value**. However, unless a higher amount is specified in **your policy schedule** for additional vehicles or **we** have agreed to insure an additional vehicle that is similar for a higher amount, the most **we** will pay for **loss** or **damage** to an additional vehicle is:

- (a) \$100,000 if the additional vehicle is a motorcycle, caravan, car, 4WD, utility or van of not more than 2 tonne carrying capacity; or
- (b) \$300,000 for any other additional vehicle type.

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.

Additional vehicles that **you** have advised **us** of and that **we** have agreed to insure will be noted on **your policy schedule** and will be insured for **insured amount**, **market value** or **agreed value** as agreed by **you** and **us**.

Cover for two-wheel or box trailers

Additional Benefit 1 – 'Two-wheel or box trailers' provides cover of up to a limit of \$2,000 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 \$2,000 under **your policy**. **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 ‘Insuring Clause – What we cover’ if:

- ‘Commercial Motor’ is shown as insured on **your policy schedule**;
- **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 any of the Policy Section Exclusions on pages 187 to 188;
- the **loss** or **damage** is not excluded by any of the General Exclusions on pages 24 to 26; and
- the **loss** or **damage** is not excluded by any **endorsement**.

Insuring Clause – What we cover	What we exclude
<p>When “Comprehensive Cover” is shown on your policy schedule, we cover the theft, loss of, or damage to your vehicle:</p> <ol style="list-style-type: none"> 1. caused by an event which happens during the period of insurance; and 2. occurs within Australia or its external territories. <p>When “Legal Liability, Fire and Theft Cover” is shown on your policy schedule we cover theft, loss of, or damage to your vehicle:</p> <p>(a) caused by one of the following events only which happens during the period of insurance:</p> <ol style="list-style-type: none"> (i) Fire; (ii) Explosion; (iii) Lightning; (iv) Theft or attempted theft; or (v) Storm (including hail). <p>(b) which occurs within Australia or its external territories.</p>	<p>We do not cover:</p> <ul style="list-style-type: none"> • loss of, or damage to, tyres caused by punctures, bursts, road cuts or the application of brakes; • loss or damage due to neglect, wear and tear, weathering, mould, rusting, mould, mildew, corrosion or depreciation; • any vehicle accessories other than those: <ul style="list-style-type: none"> — supplied by the manufacturer of your vehicle as original equipment; — stated within the definition of vehicle; or — accessories shown on your policy schedule. • structural, mechanical, electrical, or electronic failure or breakdown; • loss or damage caused by you failing to take reasonable steps, when reasonably practicable and safe to do so, to protect, prevent or diminish further loss or damage to your vehicle after: <ul style="list-style-type: none"> — it breaks down (including when it overheats); — it is damaged in an event; or — you have been notified that your stolen vehicle has been found, <p>for example, by moving your vehicle off the road, using the vehicle’s hazard lights or advising us that your stolen vehicle has been found so that we can arrange for it to be recovered and you recognise that failing to take such steps is likely to lead to damage to your vehicle and you decide not to take steps to avert the risk of damage or take ineffective steps;</p> • loss of, or damage to, your vehicle due to using incorrect fuel or additive.

Insuring Clause – What we cover (cont.)

What we exclude (cont.)

- **loss** or **damage** to **your vehicle's** engine, gearbox or transmission because it was driven in a **damaged** condition after an **event** unless **you** were not aware this could lead to further **damage**, or **you** were acting to prevent further **loss** or **damage** such as driving it from a busy motorway.
 - **loss** or **damage** caused by or arising from any person or organisation who lawfully takes possession of **your vehicle**.
 - **loss** or **damage** caused by an **event** which is not fire, explosion, lightning, storm (including hail), theft or attempted theft, if **your vehicle** is insured for 'Legal Liability, Fire and Theft Cover'.
-

Extra Covers

If **your** claim for **loss** or **damage** to **your vehicle** is covered under Part 1 "Insuring Clause – What we cover" of this Policy Section, **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 'What we cover' for the applicable Extra Cover. 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 applicable exclusions (to avoid doubt, including the exclusions in Part 1 and Part 2 of this Policy Section, this Policy Section Exclusions on pages 187 to 188, the General Exclusions on page 24 to 26, or any **endorsement**).

1. New vehicle after total loss

What we cover

This Extra Cover only applies when:

- **your vehicle** is insured for Comprehensive Cover and is not insured for **agreed value**;
- **your vehicle** is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity, trailer or rigid body truck; and
- **your vehicle** is a **total loss** because of the **event**.

We will replace **your vehicle** with a replacement vehicle, provided that:

- **you** are the first registered owner of **your vehicle** or **you** purchased **your vehicle** as an "ex demonstration" model from a licensed motor dealer who was the first registered owner of the **vehicle**;
- the **total loss** occurred less than two (2) years from the date of original registration of **your vehicle**; and
- anyone who financed **your vehicle** provides **us** with written consent.

We will:

- (a) replace **your vehicle** with a new vehicle of the same make, model and series to **your vehicle** provided a new vehicle is available within ninety (90) days **your vehicle** being declared a **total loss**; or
-

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.)

- (b) if one is not available at all within that time, provide **you** with a new vehicle that is available within the time stated above and which is a similar make or model to **your vehicle** (including similar accessories, modifications, tools and spare parts); and
- (c) pay for the initial registration, Compulsory Third Party (CTP) or Motor Accident Injuries (MAI) insurance, delivery charges and stamp duty costs for the new vehicle.

The new vehicle will be covered under this Policy Section until this **policy's** expiry date or, if it is cancelled, its cancellation.

If:

- **you** choose not to accept a replacement vehicle; or
- an agreement cannot be reached between us on a replacement vehicle; or
- a replacement vehicle cannot be provided under (a) or (b) above,

we will pay **you** the original purchase price of **your vehicle**, less the **excess** and applicable deductions for unpaid premium, unused registration or CTP or MAI insurance (see 'Settlement Conditions applicable if your vehicle is a total loss' on pages 171 to 172).

If **your vehicle** is a trailer or rigid body truck **we** do not cover more than 112.5% of the **insured amount** of **your vehicle**.

2. Personal effects

What we cover

This Extra Cover only applies if **your vehicle** is insured for Comprehensive Cover.

We will cover the 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**.

The most **we** will pay under this Extra Cover for any one (1) **event** is \$1,000.

What we exclude

We will not pay for **personal effects** insured under another insurance policy, unless **you** entered into that policy in **your** own name.

3. Funeral expenses and travel costs

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:

- the associated burial or cremation costs for the deceased driver; and
- 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 under this Extra Cover in total for any one (1) **event** is \$10,000.

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 of Part 1 of this Policy Section.

4. Personal accident

What we cover

This Extra Cover only applies if **your vehicle** is insured for Comprehensive Cover.

We will pay under this Extra Cover provided:

- **your vehicle** was being driven by **you** or any **authorised driver**; and
- 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 use of one or both hands or feet.

The most **we** will pay under this Extra Cover in total for any one (1) **event** is \$5,000.

We will pay the driver.

The driver's entitlement to any benefit under any other insurance or statutory scheme will not reduce any amount payable under this Extra Cover.

What we exclude

We will not pay:

- any claim if the permanent and total loss happens:
 - more than twelve (12) months after the date of the **event**; or
 - because the driver attempted to commit suicide.
- any claim if **we** have paid an amount under Extra Cover 3 – Funeral expenses and travel costs of Part 1 of this Policy Section.

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** should ensure that before the **emergency repairs** are carried out, where reasonably practicable, photographic images of the **damage** are recorded and can be provided to **us** so that **we** can establish the condition of **your vehicle** prior to the repairs. **You** are required to produce reasonable evidence of the costs incurred if **we** ask for them. Reasonable evidence may include tax invoices or receipts.

The most **we** will pay under this Extra Cover for any one (1) **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**, to reach **your** or their intended or revised destination or to return to the point of departure.

If **you** need emergency travel, **we** give **you** the authority to arrange these matters on **our** behalf. **You** are required to produce reasonable evidence of the costs incurred if **we** ask for them. Reasonable evidence may include tax invoices or receipts.

The most **we** will pay under this Extra Cover for any one (1) **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.

We will pay the reasonable costs:

- (a) for **you** or the **authorised driver's** emergency accommodation if the **event** was more than 100km from **your** home or the **authorised driver's** home and **your vehicle** was unroadworthy or unsafe to drive; or
- (b) for temporary accommodation if **your vehicle** is an unregistered on-site caravan and it is **damaged** by an **event**, provided that the unregistered on-site caravan is **your** only home and **you** can't live in it as a result of the **event**.

If **you** need emergency accommodation, **we** give **you** the authority to arrange these matters on **our** behalf. **You** are required to produce reasonable evidence of the costs incurred if **we** ask for them. Reasonable evidence may include tax invoices or receipts.

The most **we** will pay under this Extra Cover for any one (1) **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 are required to produce reasonable evidence of the costs incurred if **we** ask for them. Reasonable evidence may include tax invoices or receipts.

The most **we** will pay under this Extra Cover for any one (1) **event** is \$25,000.

You may also be able to make a claim under Part 2 Legal Liability of this Policy Section.

9. Vehicle modifications

What we cover

This Extra Cover only applies if **your vehicle** is insured for Comprehensive Cover.

We will cover the costs necessary to modify **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 (1) **event** is \$5,000.

10. Towing and storage

What we cover	What we exclude
<p>We will cover the reasonable costs of towing your vehicle to one of the following locations, when as a result of the event your vehicle cannot be driven to one of these locations:</p> <ul style="list-style-type: none">• our nearest assessing centre;• a recommended repairer that we nominate; or• a repairer we agree to; or• your premises or to another repairer if you did not obtain our agreement prior to the towing. <p>We will also pay the reasonable cost of storing your vehicle.</p> <p>You are required to produce reasonable evidence of the costs incurred if we ask for them. Reasonable evidence may include tax invoices or receipts.</p> <p>If you withdraw your claim or we refuse to accept it, you must refund us any payments for towing or storage we have already made if we ask you to.</p>	<p>We do not cover:</p> <ul style="list-style-type: none">• storage costs for any period before your claim is lodged (unless it was not reasonably possible for you to lodge the claim at the time of the event) or after your claim is settled or declined and it is reasonably possible to access the storage facility to remove your vehicle so as not to incur further storage costs; or• the costs of towing or storage of your vehicle if it is insured for "Legal Liability, Fire and Theft Cover" only and the event was not fire, theft or attempted theft.

11. Hire vehicle after theft

What we cover	What we exclude
<p>We will cover:</p> <ul style="list-style-type: none">• the cost of hiring a vehicle of similar make and model to your vehicle from our provider, if our provider has such a vehicle available, and is within a reasonable distance of your location); or• the reasonable cost incurred by you of hiring a vehicle of a similar make and model to your vehicle, if there is no such vehicle available from one of our providers within a reasonable distance of your location, <p>if your vehicle is stolen and either not found or is found but is not drivable.</p> <p>We will cover this cost for up to thirty (30) days. 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>You are required to produce reasonable evidence of the costs incurred if we ask for them. Reasonable evidence may include tax invoices or receipts.</p> <p>If you withdraw your claim or we refuse to accept it, you must refund us any payments for the hire vehicle we have already made if we ask you to.</p> <p>The most we will pay under this Extra Cover for any one (1) event is \$3,000.</p> <p>Please see Additional Benefit 3 – "Hire vehicle" of Part 1 of this Policy Section for details of the cover provided when you hire a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity.</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; or• 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

This Extra Cover only applies if **your vehicle** is insured for Comprehensive Cover, is not insured for **agreed value** and is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity.

If **your vehicle** is a **total loss**, then **we** will cover the difference when the amount owing by **you** under a lease or a hire purchase agreement is greater than the **market value** of **your vehicle**, less:

- 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 20% of the **market value** of **your vehicle**.

What we exclude

We will not pay any claim under this Extra Cover if:

- **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 of Part 1 of this Policy Section.

13. Lease payout – vehicle other than those referred to in Extra Cover 12

What we cover

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 of this Policy Section.

If **your vehicle** is a **total loss**, **we** will cover the difference when the amount owing by **you** under a lease or a hire purchase agreement is greater than the **market value** of **your vehicle**, less:

- 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

We will not pay any claim under this Extra Cover if:

- the **loss** of, or **damage** to, **your vehicle** was caused by fire or theft;
- **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 of Part 1 of this Policy Section.

Additional Benefits

We will also provide the following Additional Benefits if **your vehicle** is insured for Comprehensive cover.

There does not need to be **loss** of, 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 **PDS** 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 187 to 188, the General Exclusions on pages 24 to 26 or any **endorsement**.

Note: **You** do not need to make a claim under Part 1 of this Policy Section to be eligible for these Additional Benefits.

1. Two-wheel or box trailer

What we cover

We cover **loss** of, or **damage** to, **your** two-wheel or box trailer that **you** own while it is attached or being towed by **your vehicle** caused by an **event** during the **period of insurance**.

The most **we** will pay under this Additional Benefit for any one (1) **event** is \$2,000.

Note: If **we** agree, **you** can insure **your** trailer for more than \$2,000 if **you** insure it as a separate insured **vehicle** under **your policy**.

Excess

No **excess** is applicable for any claim under this Additional Benefit.

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 key

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 of this Policy Section; or
- may have been duplicated and there is reasonable grounds to believe so.

The most **we** will pay under this Additional Benefit is \$5,000 for any one (1) **event** and \$10,000 in total during any one (1) **period of insurance**.

Excess

You must pay the basic **excess** applicable to **your vehicle** for any claim under this Additional Benefit.

3. Hire 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**:

- (a) 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**.
- (b) do insure it with the hiring company for theft, **loss** or **damage** or **legal liability**, **we** will cover any **excess** **you** are required to pay to the hiring company under that insurance for theft, **loss** or **damage** to that hire vehicle or for **legal liability** during the **period of insurance**.

The most **we** will pay under this Additional Benefit for any one (1) **event** is:

- in respect of (a) above, up to \$40,000 in total for the theft, **loss** or **damage** to the hire vehicle; or
- in respect of (b) above, the hire vehicle excess.

Legal liability has the meaning shown in Part 2 – Legal Liability of this Policy Section on page 177.

Excess

You must pay **us** an **excess** of \$500 (unless another amount is specified in any **endorsement** in which case that amount applies) for any claim under this Additional Benefit.

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 are required to produce reasonable evidence of the costs incurred if **we** ask for them. Reasonable evidence may include tax invoices or receipts.

The most **we** will pay under this Additional Benefit is \$5,000 for each Recovery.

Excess

You must pay the basic **excess** applicable to **your vehicle** for any claim 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.

This Additional Benefit does not cover any recovery costs after **your vehicle** has been removed to a place of safety.

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.

Please refer to General Claims Condition 17 – Motor vehicle claims on pages 23 to 24 for details of what information **we** may ask for to support **your** claim for these accessories.

Excess

You must pay the basic **excess** applicable to **your vehicle** for any claim 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 for theft of the accessories listed in the What **we** cover section of this Additional Benefit if upon requested by **us**:

- (a) **you** do not give **us** reasonable evidence of the value of accessory so that **we** can establish that the **insured amount** reflects the **value of your vehicle** plus the accessories; or
- (b) **you** cannot provide reasonable proof that **you** owned the accessories.

Reasonable evidence or proof may include photographs, sales receipts, tax invoices, accounts and bank or credit card statements that provide a description of the accessory and show the purchase price, date and location.

6. Vehicles being test driven by you

What we cover

If a vehicle (not exceeding 2 tonnes) is being demonstrated to **you** or test driven by **you** or **your authorised driver** during the **period of insurance**, we will cover **your legal liability** for:

- theft, **loss** of or **damage** to that vehicle; and
- another person's **personal injury** or **property damage** in connection with the use of that vehicle.

The most **we** will pay under this Additional Benefit for liability for theft of, **loss** or **damage** to the demonstration or test driven vehicle is \$100,000.

The most **we** will pay in total under this Additional Benefit for another person's **personal injury** or **property damage** in connection with the use of that vehicle is the amount set out in 'Limits to what we pay' in Part 2 of this Policy Section.

Legal liability has the meaning shown in Part 2 – Legal Liability page 177.

Excess

No **excess** is payable for any claim under this Additional Benefit.

What we exclude

We will not pay if the demonstration or test driven vehicle is:

- a customer's vehicle; or
- being test driven for the purpose of repair, restoration or modification.

7. 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**.

The most **we** will pay under this Additional Benefit for any one (1) **event** is \$50,000, regardless of the number of trailers **your vehicle** may have under its control at the time of the **event**.

Excess

You must pay **us** an **excess** of \$2,500 (unless another amount is specified in any **endorsement** in which case that amount applies) for any claim under this Additional Benefit. This **excess** is additional to any **excess** payable for **your vehicle**.

What we exclude

We will not pay for **loss** or **damage** to goods or property being carried in the trailer.

How we settle a claim under Part 1

If **your** claim is covered under Part 1 of this Policy Section, **we** will either pay **you** for a **partial loss** or a **total loss**.

This is determined by whether **your vehicle** would be uneconomical or unsafe to repair, including where the combined repair costs and salvage value are likely to be more than the **value of your vehicle** or when **your vehicle** has been stolen and not recovered within fourteen (14) days of its theft and **we** accept **your** claim for theft of **your vehicle**. **We** will also have regard to the law in relation to what is considered a write off that applies in **your** State or Territory when determining whether **your vehicle** is to be written off.

If a claim for **legal liability** is covered under any Additional Benefit in this Part, the "Limits to what we pay" in Part 2 will apply, unless specified otherwise.

Total loss

If **your vehicle** is a **total loss** and the conditions applying to Extra Cover 1 – New vehicle after total loss are met, **we** will settle **your** claim with a new replacement vehicle or by a payment, as provided for in Extra Cover 1.

Where Extra Cover 1 – New vehicle after total loss does not apply, **we** will settle **your** claim in one of the following ways:

(A) Market Value or Insured amount

If the **vehicle** is shown on **your policy schedule** as having **market value**, and the **insured amount** does not show a figure in dollars, **we** will pay **you** the **market value** of **your vehicle**.

If the **vehicle** is shown on **your policy schedule** as having a **market value**, and the **insured amount** does show a figure in dollars, **we** will pay **you** the lesser of the **market value** or the **insured amount**.

For example, where the **insured amount** of **your vehicle** is shown in the **policy schedule** as \$60,000 and **your vehicle** is involved in an **event** that could lead to **your vehicle** being declared a **total loss**, it will be examined and details recorded such as general condition, fixtures, fittings and kilometres travelled. If, due to the poor condition of **your vehicle**, excessive kilometres travelled, wear and tear and rust the **market value** is calculated as \$40,000, **we** will pay **you** this lesser amount.

In the case of additional vehicles that are not shown on **your policy schedule** what **we** pay is as set out under 'Cover for additional vehicles' on page 158.

The **insured amount** of **your vehicle** includes accessories within the definition of **vehicle** plus any agreed accessory specified in **your policy schedule**.

We will deduct any **excess** that is payable from the amount **we** pay.

When **we** pay the **market value** or **insured amount** as a result of a **total loss**, then **your** cover for that **vehicle** comes to an end. There will be no refund of the premium.

(B) Agreed value

If the **vehicle** is shown on **your policy schedule** as having 'agreed value', **we** will pay **you** the **agreed value**.

The **agreed value** for **your vehicle** includes accessories within the definition of **vehicle** plus any agreed accessory shown on **your policy schedule**.

The **agreed value** shown on **your Policy Section** is the most **we** will pay for theft, **loss** of, or **damage** to, **your vehicle**. **We** will not deduct any **input tax credit** from the amount of the **agreed value** specified on **your policy schedule**. **We** will deduct any **excess** that is payable from the amount **we** pay.

When **we** pay the **agreed value** as a result of a **total loss** then **your** cover for that **vehicle** comes to an end. There will be no refund of the premium.

(C) Additional vehicles

For how **we** settle a claim under Part 1 of this Policy Section 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 158.

Settlement conditions applicable if your vehicle is a total loss

We will deduct any unpaid premium from any amount that **we** pay **you** for a **total loss**.

Your vehicle or salvage of **your vehicle**, including any unexpired premium, registration and Compulsory Third Party (CTP) and Motor Accident Injuries (MAI) insurance (unless the law requires otherwise), becomes **our** property when **we** pay

you for the **total loss**. Where **you** are entitled or required by law to obtain a refund for unused registration or CTP or MAI insurance, **we** will deduct those amounts from what **we** pay **you** for the **total loss**. If **we** are unable to collect any unexpired registration or CTP or MAI insurance **ourselves**, **you** must provide reasonable assistance to help **us** do so if **we** ask.

If another party (e.g. a financial provider) has an interest in **your vehicle** 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 Section. If this amount is less than the full amount payable under this Policy Section, **we** pay **you** the balance.

When **you** make a claim and another party (e.g. a financial provider) is entitled to the salvage of **your vehicle**, **we** will pay **you** or them the **insured amount** shown on **your policy schedule**, less **our** estimate of the salvage, less any **excess** and unpaid premium.

For an example of how **we** settle a **total loss** claim, see pages 189 to 190 of this Policy Section.

Partial loss

If **your vehicle** is a **partial loss**, **we** will do the following (depending on the exact circumstances of the claim):

- repair the **damage** or replace the **damaged** parts of **your vehicle** using a **recommended repairer** or **you** may choose **your** own repairer. If **you** choose **your** own repairer **we** will authorise repairs for the amount of the **assessed quote** from **your** repairer;
- pay **you** the amount of the **assessed quote** from a **recommended repairer** when a **recommended repairer** is able to complete the repair of the **damage** or replace the **damaged** parts of **your vehicle**, but **you** request a cash settlement; or
- pay **you** the amount of the **assessed quote** from **your** repairer if a **recommended repairer** cannot complete the repair of the **damage** or replace the **damaged** parts of **your vehicle** or if **we** do not authorise repairs based upon **your** repairer's quote.

If **we** settle **your** claim by paying **you** the amount of the **assessed quote**, and **you** do not carry out the repairs to **your vehicle**, it may lead **us** to reduce or refuse to pay any subsequent claim by **you** in respect of that particular **vehicle**.

Choice of repairer and parts policy

If **your vehicle** is a **partial loss**, **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 **we** will authorise repairs for the amount of the **assessed quote** from **your** repairer.

Where **we** are able to provide **you** with access to one of **our recommended repairers**, **we** will offer **you** a choice if there is more than one in **your** area. However, **we** may only be able to nominate one **recommended repairer** if there are no others available or in **your** area.

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 **your vehicle** to the same or reasonably similar condition and standard immediately before the **event**;
- except for windscreens and window glass, authorise only the use of new parts or where available, parts which are consistent with the age and condition of **your vehicle** (which may include using reusable parts where available);
- replace **damaged** windscreen or window glass with glass which may not be produced by the original manufacturer but will meet Australian Design Rules;
- 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;
- if the same part as a **damaged** part is not available, give **you** the option to accept the **market value** of the obsolete part or to use an equivalent part (if available) to complete the repair. Where the **damaged** or equivalent part is not available and **your vehicle** cannot be safely repaired, **we** will declare **your vehicle** a **total loss**;

- 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); 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 the amount of the **assessed quote** from **your** repairer **we**:

- will pay **you** an amount equal to the **assessed quote** from **your** repairer; 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.

If **we**:

- (i) pay **you** the amount of the **assessed quote** from a **recommended repairer** because a **recommended repairer** is able to complete the repairs or replace the **damaged** parts of **your vehicle** but **you** have requested a cash settlement; or
- (ii) pay **you** the amount of the **assessed quote** from **your** repairer because a **recommended repairer** cannot complete the repairs or replace the **damaged** parts of **your vehicle**,

we also do not authorise the repairs. **We** will not provide any guarantee for the quality of materials and workmanship in respect of the repairs.

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 neglect, wear and tear, weathering, rust, mould, mildew or corrosion ('pre-existing damage').

How much **you** are required to pay will depend on how affected by such pre-existing damage these items were when the **damage** happened.

If **you** do not want to contribute to this cost and the repairs cannot be carried out due to the pre-existing damage, instead of carrying out the repairs:

- (i) if **we** have obtained a quote from a **recommended repairer** (and **you** have not obtained a quote from **your** repairer) **we** will pay **you** the amount of the **assessed quote** from **our** repairer, excluding the cost to replace or repair the pre-existing damage; or
- (ii) if **you** have obtained a quote from **your** repairer that includes the cost to replace or repair the pre-existing damage **we** will **pay you** the amount of the **assessed quote** from **your** repairer excluding the cost to replace or repair the pre-existing damage.

We will subtract any **excess** that may apply.

For an example of how **we** settle a partial loss claim, please see page 190 of this **policy**.

Part 1 – Policy Section Conditions

These conditions apply to all covers and claims under Part 1 of this Policy Section in addition to the General Policy Conditions on pages 16 to 19.

If **you** do not comply with these Policy Section Conditions, **we** may:

- (a) refuse to pay a claim or reduce the amount **we** pay (to the extent to which **we** are prejudiced in respect of the claim as a result of **your** non-compliance); and/or
- (b) recover from **you** any costs and/or any monies **we** have paid; and/or
- (c) cancel **your policy**.

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 and parts policy' 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 **we** pay **you** the amount of the **assessed quote** **we** do not authorise repairs and **you** will not be entitled to the lifetime guarantee on repairs that **we** do not authorise.

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 because of the **event** **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**.

For an example of how **we** settle a **partial loss** claim where the underinsurance condition applies, please see page 191 of this **policy**.

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 (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), and **your** premium will be charged accordingly.

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**.

A **penalty claim** is an **event** or claim where **you** are at fault or a claim where **we** are not able to recover the costs of repairing or replacing **your vehicle**.

The following will apply if **you** qualify for a No claim bonus:

For cars, utilities, 4WDs or vans of not more than 2 tonne carrying capacity:

Year	Existing bonus	Renewal bonus
1st Year	0%	25%
2 nd Year	25%	45%
3 rd Year	45%	55%
4 th Year	55%	65%
Subsequent Years	65%	65%

For all other **vehicles**:

Year	Existing bonus	Renewal bonus
1st Year	0%	20%
2 nd Year	20%	30%
3 rd Year	30%	40%
4 th Year	40%	50%
Subsequent Years	50%	50%

Protected No Claim Bonus

If **you** are entitled to a maximum No claim bonus of 65% for cars, utilities, 4WDs or vans of no more than 2 tonne carrying capacity, and **you** are insured for Comprehensive cover, **we** may provide the option when **you** first take out the **policy**, or upon renewal, to protect **your** No claim bonus for that **vehicle**.

It costs extra to choose to protect **your** No claim bonus. **We** can give **you** a price with and without the Protected No claim bonus Optional Insurance (details on page 184) to help **you** decide whether the option suits **your** needs.

How making a claim could affect your No Claim Bonus

If you do not lodge a penalty claim

If **you** did not lodge a **penalty claim** during the **period of insurance**, then **your** No claim bonus will not be detrimentally affected at renewal of **your policy**.

Windscreen claims

When **you** renew **your policy**, **your** No claim bonus will not be affected 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** **you** have made during the **period of insurance**. This does not apply if **you** have purchased Protected No claim bonus Optional Insurance in Policy Section 5 and it applies to the claim.

If **you** have purchased this Optional Insurance in Policy Section 5 and it applies to the claim in respect of **your vehicle** involved in an **event**, **we** will not count the first **penalty claim** on that **vehicle** during the **period of insurance**.

The amount **we** reduce **your** No claim bonus to is set out below:

For cars, utilities, 4WDs or vans of not more than 2 tonne carrying capacity:

Your current No Claim Bonus	Following 1 penalty claim	Following more than one penalty claim
65%	45%	Nil
55%	25%	Nil
45%	Nil	Nil
25%	Nil	Nil
Nil	Nil	Nil

For all other **vehicles**:

Your current No Claim Bonus	Following 1 penalty claim	Following more than one penalty claim
50%	30%	Nil
40%	20%	Nil
30%	Nil	Nil
20%	Nil	Nil
Nil	Nil	Nil

When you make a claim for:	Does this detrimentally impact your No Claim Bonus?
An event where you are not at fault and we are able to recover	No
Windscreen or window glass only*	No
An event where you are at fault**	Yes

*If **you** have selected and paid for the 'Windscreen excess waiver' Optional Insurance, then **you** will not have to pay any **excess** for that claim. This Optional Insurance is only available for a car, utility, 4WD or van of not more than 2 tonne carrying capacity.

** **Your** No claim bonus might not be affected if **you** have purchased Protected No claim bonus Optional Insurance, see page 184 for details.

Part 2 – Legal liability

What your vehicle also means

For the purpose of Part 2, **your vehicle** also means:

- (a) a trailer;
- (b) a caravan; or
- (c) another vehicle which has broken down;
- (d) that is being towed by **your vehicle** or a **substitute vehicle** legally and not for reward; and
- (e) a **substitute vehicle**.

What is legal liability?

Legal liability means that:

- **you**;
- an **authorised driver**;
- a passenger in **your vehicle**; or
- **your** employer, principal or business partner;

are legally responsible to pay compensation for:

- (i) **loss** of or **damage to property** owned or controlled by someone else; or
- (ii) **personal injury** to another person (but only where the **legal liability** is not covered or capable of being covered by any compulsory third party insurance or public liability insurance, unless **you** entered into that public liability insurance policy in **your** own name),

caused by an **event** which occurs during the **period of insurance** in Australia or its external territories.

You can claim for **your legal liability** as described under 'Insuring Clause – What we cover' if:

- 'Commercial Motor' is shown as insured on **your policy schedule**;
- the **legal liability** is not expected or intended and the insured **event** occurs during the **period of insurance** in Australia or its external territories;
- It is not excluded by anything under 'What we exclude';
- It is not excluded by this Policy Section Exclusions on pages 187 to 188;
- It is not excluded by the General Exclusions on pages 24 to 26; and
- It is not excluded by any **endorsement**.

Insuring Clause – What we cover	What we exclude
<p>We will cover legal liability if the event that gives rise to the legal liability was not expected or intended, and the event was caused by:</p> <ul style="list-style-type: none">(a) you or an authorised driver driving, using or being in charge of your vehicle;(b) goods being carried by or falling from your vehicle;(c) loading goods onto your vehicle from a fixed place of rest directly beside your vehicle;(d) unloading goods off your vehicle to a fixed place of rest directly beside your vehicle; or(e) a passenger in your vehicle with your 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 "What we exclude" 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;

Insuring Clause – What we cover (cont.)

What we exclude (cont.)

- 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 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 (i.e. public liability insurance policy) covering or which is capable of covering such liability, unless **you** entered into that policy in **your** own name;
- 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;
- 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;

Insuring Clause – What we cover (cont.)

What we exclude (cont.)

- 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 3 – Pollution of Part 2 of this Policy Section.

Additional Benefits

We will also pay or provide the following Additional Benefits in this Policy Section, subject to the **policy** terms and conditions, the General Exclusions on pages 24 to 26 the exclusions in Part 1 and Part 2 of this Policy Section and any **endorsement**. The **event** giving rise to the **legal liability** must not be expected or intended.

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, and specified under 'Limits to what we pay' on pages 182 to 183 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 within Australia or its external territories.

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
- the name and address of the person at fault and the registration number of the vehicle involved are provided.

The most **we** will pay under this Additional Benefit for **loss** of, or **damage** to, **your vehicle** in total in any one (1) **period of insurance** is \$5,000 or the **market value** of **your vehicle** (whichever is less).

If due to the circumstances of the accident, **you** are unable to obtain the name and address of the person at fault and/ or the registration number of the vehicle involved, please contact **us** on 13 22 44.

What we exclude

We will deduct:

- any **excess** that applies; and
- the residual value of the **vehicle** as determined by **our** assessor if it is not repairable (when **you** keep the **damaged vehicle**).

2. Emergency services

What we cover

If a claim is covered under Part 1 or Part 2 of this Policy Section during the **period of insurance**, **we** will cover the reasonable costs and charges levied by the police force or any fire brigade or other authority due to **your vehicle** causing the attendance at the accident site of a member of the:

- fire brigade or authority for the purpose of fire extinguishment or other emergency response; and/or
- police force.

3. Pollution

What we cover

We will cover **your legal liability** arising directly or indirectly out of the actual, alleged or threatened discharge, dispersal, release or escape of **contaminants or pollutants** into or upon any property, land, the atmosphere, water course or body of water (including ground water), where such discharge, dispersal, release or escape:

- 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 **event** within Australia or its external territories.

The most **we** will pay for **your legal liability** under this Additional Benefit is \$500,000 in total in any one (1) **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** 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 unless the caravan is an insured **vehicle** and **we** have accepted a claim for it under Part 1 of this Policy Section.

5. Non-owned vehicle liability

What we cover

We will cover **your legal liability** as set out in Part 2 of this Policy Section, in respect of any vehicle not owned or supplied by **you** while that vehicle is being used or driven by **you** or an **authorised driver** in connection with **your business** during the **period of insurance** in Australia or its external territories.

What we exclude

We will not pay for **loss** of or **damage to property** owned or controlled by **you**.

Excess

You must pay **us** an **excess** of \$500 for each claim under this Additional Benefit.

6. Legal liability for caravans and trailers

What we cover	What we exclude
<p>You are covered for your legal liability as a result of :</p> <ul style="list-style-type: none">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; oranother vehicle colliding or acting to avoid a collision with:<ul style="list-style-type: none">property falling off a caravan or trailer while it is being towed by your vehicle; orproperty being loaded or unloaded from a caravan or trailer attached to your vehicle, <p>which occurs during the period of insurance in Australia or its external territories.</p> <p>Excess</p> <p>You must pay the excess applicable to your vehicle for any claim under this Additional Benefit.</p>	<p>We do not cover loss or damage to:</p> <ul style="list-style-type: none">the caravan or trailer unless it is a vehicle insured under Part 1 of this Policy Section; orthe property which is loaded or unloaded from or which falls from the caravan or the trailer. <p>We do not cover the cost to remove the trailer or caravan debris, unless the caravan or trailer is an insured vehicle and the claim for loss or damage to the caravan or trailer is covered under Part 1 of this Policy Section.</p>

How we settle a claim under Part 2

If a claim for **legal liability** to pay compensation for **personal injury** or **damage to property** is covered under Part 2 of this Policy Section, **we** will pay:

- the compensation;
- legal costs and expenses if **we** have first agreed to pay 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 any Additional Benefits, if **we** have first agreed to pay these costs.

For an example of how **we** settle a liability claim, see page 191 of this policy.

Limits to what we pay

The most **we** will pay for all claims for **legal liability** to pay compensation for **personal injury** or **damage to property** covered under Part 2 of this Policy Section, arising directly or indirectly from one (1) **event** is \$50,000,000 (unless another amount is shown on **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 shown on **your policy schedule**) where **your vehicle** is being used for the transportation of **dangerous goods** or is attached to, or is towing, a **vehicle** used for the transportation of **dangerous goods**; and
- \$500,000 during the **period of insurance** in respect of all claims under Additional Benefit 3 – Pollution of Part 2 of this Policy Section.

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 of this Policy Section) or **endorsement** unless a lower limit is specified in the Extra Cover, Additional Benefit or Optional Insurance (both Parts 1 and 2 of this Policy Section) or **endorsement**.

These limits are the most **we** will pay even if there are several claims against **you** relating to the one (1) **event**.

Optional Insurance

We provide the following Optional Insurance when requested by **you**, when **you** pay any additional premium required and when shown on **your policy schedule**, subject to the General Exclusions on pages 24 to 26, Policy Section Exclusions, the exclusions in any "What we exclude" section in Part 1 or Part 2 of this Policy Section and any **endorsement**.

The Optional Insurances are available for Comprehensive cover only. Optional Insurance 1 - Windscreen excess waiver only applies to certain type of **vehicle**. Optional Insurance 4 - Damage to towed vehicles only applies if **your vehicle** is a registered tow truck.

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 any **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.

This Optional Insurance only applies if **your vehicle** is a car, utility, 4WD or van of not more than 2 tonne carrying capacity.

2. Rental vehicle after accident

What we cover

- (a) 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) covered under Part 1 of this Policy Section, **we** will pay the cost of hiring a replacement vehicle that is a similar make and model to **your vehicle** from **our** provider, if **our** provider has such a vehicle available, and is within a reasonable distance to **your** location; or
- (b) if a similar make and model is not available from **our** provider, reimburse **you** for the cost of hiring a replacement vehicle that is a similar make and model, from the date **your vehicle** is left at the repairers.

The most **we** will pay under this Optional Insurance for any one (1) **event** is \$1,500.

Please see:

- Additional Benefit 3 – Hire vehicle in Part 1 of this Policy Section for cover applicable to and caused by the rental vehicle; or
- Extra Cover 11 – Hire vehicle after theft of Part 1 of this Policy Section if **your vehicle** is stolen.

This Optional Insurance only applies if **your vehicle** is a car, utility, 4WD or van of not more than 2 tonne carrying capacity.

What we exclude

We will not pay:

- if **your vehicle** is stolen;
- to hire a **vehicle** for any period after the first business 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	What we exclude
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 .	This Optional Insurance does not apply: <ul style="list-style-type: none">• if your vehicle is not a car, utility, 4WD or van of not more than 2 tonne carrying capacity; and• unless you are entitled to a maximum No claim bonus for your vehicle.

4. Damage to towed vehicles

What we cover	What we exclude
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 . The most we will pay under this Optional Insurance for any one (1) event is \$150,000 for loss of, or damage to, any vehicle(s) being towed, retrieved or carried by your vehicle .	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.

Excess

An **excess** is the amount **you** will have to pay for each **event** when **you** make a claim under this Policy Section, unless stated otherwise. Please refer to General Claims Condition 11 – Paying your excess for information about the options for paying the **excess**.

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.

Under Extra Cover 10 – Towing and storage of Part 1 of this Policy Section, if **you** withdraw a claim or **we** refuse to accept it **you** do not have to pay an **excess**, however **you** must refund any towing or storage costs **we** have incurred if **we** ask **you** to.

Under Extra Cover 11 – Hire vehicle after theft of Part 1 of this Policy Section, if **you** withdraw a claim or **we** refuse to accept it **you** do not have to pay an **excess**, however **you** must refund any hire costs **we** have incurred if **we** ask **you** to.

Under Additional Benefit 6 – Legal liability for caravans and trailers of Part 2 of this Policy Section, the **excess** that applies is the one applicable to **your vehicle**.

The basic **excess** is shown on **your policy schedule**. The amounts for any other **excesses** (or where the amounts can be found in this **policy**) are detailed below on pages 185 to 186. **You** might have to pay more than one type of **excess** when **you** claim. **You** must pay the **excesses** in full.

When and how you pay the excess

When **you** make a claim the following options are available to pay the **excess**:

- you** can pay the **excess** directly to **us** before **we** finalise **your** claim. In the case of a new replacement vehicle, **we** may require **you** to pay the **excess** before taking delivery of the new vehicle;
- the **excess** can be deducted from the amount **we** pay **you** for **your** claim (if any);
- in some instances, the **excess** can be paid to the appointed repairer when **you** pick up **your vehicle** after it has been repaired or to the supplier; or
- in some instances, the **excess** can be deducted from the amount **we** pay to another person for **loss** or **damage** to their property.

We will not cover any legal or other costs that arise because of any delay in paying the **excess**.

When your excess will be waived if the driver of your vehicle is not at fault

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:

- another vehicle is involved in the **event**, and the driver of **your vehicle** is not at fault and **you** provide the name and address of the other driver at fault and the registration number of the other vehicle; or
- no other vehicle is involved in the **event**, and the driver of **your vehicle** is not at fault and **you** provide the name, address and phone number of the person at fault.

A failure to provide this information means **we** will not be able to waive **your excess**. It does not otherwise impact the cover under **your policy** for **loss** or **damage** to **your vehicle** under this Policy Section. However, if **your vehicle** is insured for Legal Liability, Fire and Theft or Legal Liability Only, then cover for **loss** or **damage** to **your vehicle** under Additional Benefit 1 – Damage by uninsured drivers of Part 2 of this Policy Section is only provided if **you** provide the name and address of the at fault driver and the registration number of the vehicle involved.

Types of excesses

The amount and types of **excess** are shown on **your policy schedule** or in this **PDS**.

Basic excess

The basic **excess** is the amount shown on **your policy schedule**.

Age or inexperienced drivers excess

An age or **inexperienced driver excess** applies if a driver under 25 or an **inexperienced driver** was in charge of **your vehicle** at the time of an **event**. This **excess** 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.

In the case of a claim where the driver was less than 25 years of age or was an **inexperienced driver**, the following age or **inexperienced driver excesses** will apply to the claim when:

(a) the **vehicle** is a car, 4WD, utility or van of not more than 2 tonne carrying capacity:

- (i) for drivers under 21 years of age – \$500;
- (ii) for drivers 21 years of age or older – \$300;
- (iii) for **inexperienced drivers** – \$250.

(b) the **vehicle** is a prime mover and:

- (i) the **insured amount** for the prime mover is less than \$100,000 or it is insured for Legal Liability Only – the age or **inexperienced driver excess** is \$2,500 or \$3,500 if the prime mover was towing more than one trailer at the time of the **event**;
- (ii) the **insured amount** for the prime mover is \$100,000 or more but not more than \$200,000 – the age or **inexperienced driver excess** is \$10,000 or \$15,000 if the prime mover was towing more than one trailer at the time of the **event**;
- (iii) the **insured amount** for the prime mover is more than \$200,000 – the age or **inexperienced driver excess** is \$25,000 or \$37,500 if the prime mover was towing more than one trailer at the time of the **event**;

(c) the **vehicle** is not a car, 4WD, utility, van of not more than 2 tonne carrying capacity – the age or **inexperienced driver excess** is \$750.

You must pay the applicable age or **inexperienced driver excess** in addition to any other **excess** for **your vehicle** that may be payable. For the purposes of the age or **inexperienced driver excess**, a dolly is considered a trailer.

Tipping excess

A tipping **excess** applies if **your vehicle** is a trailer or rigid body truck and it is **damaged** while the tipping hoist is partly or fully extended. The tipping **excess** is \$1,000 and **you** pay this in addition to any other **excess** payable for **your vehicle**.

Theft excess

A theft **excess** of \$2,500 applies to each claim for theft or **damage** occasioned by theft of:

- (a) **your** skid steer loader, excavator, loader, backhoe or bobcat; or
- (b) any of their accessories, whether these accessories are attached to **your vehicle** at the time of the theft or **damage** or not.

You pay 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 to a claim for **loss** or **damage** to **your vehicle** or **legal liability** if at the time of the **event**, **your vehicle** was on a journey to or from a destination beyond the maximum radius of operation shown on **your policy schedule**, measured from **your vehicle's** garaged postcode shown on **your policy schedule**.

The radius **excess** is:

- (a) \$500 if **your vehicle** is a truck or bus;
- (b) \$2,500 if **your vehicle** is a trailer which at the time of the **event** was being towed by a prime mover or \$500 if being towed by a truck; or
- (c) \$7,500 if **your vehicle** is a prime mover.

You pay the radius **excess** in addition to any other **excess** for **your vehicle** that may be payable.

Additional Benefit excesses

An **excess** of \$500 applies to any claim under Part 1, Additional Benefit 3 – Hire Vehicle of this Policy Section (unless another amount is shown on any **endorsement** in which case that other amount applies).

An **excess** of \$2,500 applies to any claim under Part 1, Additional Benefit 7 – Non-owned trailer in control of this Policy Section. This **excess** is additional to any **excess** payable for **your vehicle**

An **excess** of \$500 applies to any claim under Part 2, Additional Benefit 5 – Non-owned vehicle liability of this Policy Section.

Application of excess involving trailer and towing vehicle

If a trailer being towed by **your vehicle** **damages** the property of another person and:

- (a) Only the trailer was **damaged**, the **excess** for the towing **vehicle** will apply; or
- (b) There is no **damage** to either the trailer or towing **vehicle**, the **excess** for the towing **vehicle** will apply.

Policy Section Exclusions

You are not covered under this Policy Section:

- 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 or drugs 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; or
- if and to the extent that it can be demonstrated that the alcohol, drugs or medication intake did not contribute to the **event**.

If **we** pay a claim, **we** can recover those costs from the person who was driving or in charge of **your vehicle**, unless the law prohibits recovery by **us**.

- if **you** or an **authorised driver**, with **your** knowledge or consent, does something or neglects to do something that is not in accordance with this **policy** or does not give **us** the reasonable information or assistance that **we** ask for in respect of a claim;
- for theft of or malicious **damage** to **your vehicle** when anyone insured under this **policy** has not taken care to prevent this **loss** or **damage** by:
 - ensuring the **vehicle** was locked whilst parked or otherwise unattended;
 - ensuring the **vehicle** was parked in a garage/carport if available;
 - ensuring goods and valuables inside the **vehicle** are hidden and out of sight;
- for the following financial and non-financial **loss** or extra costs following **loss** or **damage** to **your vehicle** covered by this Policy Section:
 - loss caused by delay, confiscation or detention, for example by Customs or another lawful authority;
 - lack of market or lack of any type of performance;
 - 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 of income or wages, medical expenses or loss related to stress or anxiety, unless part of a claim for compensation against **you** for which **your legal liability** is covered under this Policy Section;
 - professional, expert, legal consulting or valuation costs, cleaning costs, travel costs or other types of costs because **you** cannot use **your vehicle**, unless expressly covered by this Policy Section; or
 - **loss** or costs, including the costs of **your** time to prove **your loss** or **damage** to help **us** with **your** claim, except for Claims Preparation expenses covered by this **policy**;
- 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 **you** unregistered on-site caravan is unoccupied for sixty (60) consecutive days. (If **you** want cover over sixty (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 actual or threatened use, existence or release of 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 3 – Pollution of Part 2 of this Policy Section), 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 Section;
- 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;
- for **loss, damage** or **legal liability**, if another person is, or could have been, liable to compensate **you** for such **loss, damage** or **legal liability**, but **you** have agreed with that person either before or after the **loss, damage** or **legal liability** occurred that **you** would not seek to recover any moneys from that person;
- if the **event** that is the subject of the claim was intentionally or recklessly caused by **you** or the driver of **your vehicle** or someone acting with **you** or their express or implied consent;
- if the **event, loss, damage** or **legal liability** is excluded by any **endorsement**;
- if, at the time of an **event, your vehicle** was **damaged**, unsafe or unroadworthy.

However, **we** will cover **you**, if the **damaged**, 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 for illegal purposes (such as a criminal act) by **you** or for which **you** gave encouragement, assistance or consent (either expressly or impliedly);
 - carrying passengers for payment or reward unless it was a car pool, child care arrangement or fare paying passenger bus;
 - carrying more passengers than it was designed for, or than the driver is permitted to carry by law;
 - conveying, towing, lifting or carrying a load not secured according to law or more than that which it was designed to convey, tow, lift or carry;
 - 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 **damage** to **your vehicle** if the **vehicle** is left unattended, unlocked and with the keys left in the **vehicle**;
- for theft, **loss** of, or **damage** to, a hire vehicle **you** have insured with the hire company, except as covered under Additional Benefit 3 – Hire vehicle of Part 1 of this Policy Section; or
- for any **legal liability you** or an **authorised driver** cause or incur in connection with **you** or the **authorised driver's** use of a hire vehicle **you** have insured with the hire company, except as covered under Additional Benefit 3 – Hire vehicle of Part 1 of this Policy Section.

Worked dollar claim examples

The following worked dollar claim examples are designed to assist in the understanding of 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.

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 Section 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 the cost of repair is \$20,000.

The **market value** is determined as follows:

The **vehicle** is an 8 year old sedan in poor condition. A motor **vehicle** guide records the **market value** at \$20,000 for good condition. **We** assess the **market value** to be \$15,000.

The **vehicle** contains no modification or accessories and it is a **total loss**.

How much we pay		Further information
Market value	\$15,000	The vehicle is a total loss with a market value of \$15,000. In this case the vehicle is a total loss since it is not economical to repair. Normally a vehicle is a total loss if the complete repair cost exceeds the market value less salvage value).
Less Input Tax Credit	- \$1,364	If you are registered for GST and entitled to an input tax credit we will deduct this entitlement. In this example you are entitled to a full input tax credit (100%). We will not deduct this entitlement if your vehicle is insured for agreed value .
Less outstanding premium	-\$300	If you paid your premium by monthly instalments, we will deduct the remaining instalments for the period of insurance . In this example, there are three monthly instalments of \$100 each remaining when the total loss occurs.
Less excess	- \$500	Only the basic excess applies in this example. We deduct this from the amount we pay to you .
Total claim	\$12,836	We would normally pay this amount directly to you in a total loss situation.
Plus lease payout	\$2,200	If, instead of owning your vehicle outright, your vehicle was purchased under a finance lease and the amount owing was \$17,200 (excluding any payments in arrears and resulting interest), we will pay the difference between the amount owing under the finance arrangement and the market value (\$17,200 - \$15,000). This benefit has a limit of 20% of the market value (\$3,000).
Less Input Tax Credit	- \$200	In this example you are entitled to a full input tax credit (100%).
Total claim	\$14,836	We would normally pay the claim directly to your financier and not to you in circumstances of a lease payout. You pay your financier any amounts left owing.

If the **vehicle** in the above example was less than 2 years old at the time of the **event**, instead of paying the previous claim, **you** can choose to accept a replacement vehicle including similar accessories and parts plus on-road costs e.g. registration, compulsory third party, pre-delivery. **You** must pay the **excess** to the dealership that has provided the replacement vehicle or **us**.

If the **vehicle** salvage is valued at \$1,000, the salvage becomes **our** property and **we** are entitled to keep the \$1,000 proceeds of its sale plus any registration and compulsory third party insurance refund. This does not affect the calculations above unless **you** obtain these refunds directly, in which case **we** will deduct these costs from the total claim above.

Example: Total loss – Agreed value

A utility that has a carrying capacity of not more than 2 tonne is comprehensively insured for an **agreed value** of \$45,000. The **vehicle** is **damaged** in an accident that was not **your** fault and **you** have identified the at fault party and provided all their details that **we** require.

The cost of repair of **your vehicle** is \$50,000 and it is a **total loss**. The **vehicle** is not subject to finance. The basic **excess** is \$500.

How much we pay		Further information
Agreed value	\$45,000	The vehicle is a total loss with an agreed value of \$45,000. In this case, the vehicle is a total loss because it is unsafe or uneconomical to repair (e.g. the complete repair cost exceeds the agreed value less salvage value). Normally a vehicle is a total loss if the complete repair cost exceeds its agreed value less salvage value.
Less Input Tax Credit	\$0	We do not deduct any input tax credit when your vehicle is comprehensively insured for agreed value .
Less excess	\$0	No basic excess applies in this example as the accident was not your fault and you have provided all the details of the at fault party that we require.
Total claim	\$45,000	We would normally pay 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 proceeds of its sale plus any registration and compulsory third party insurance refund. This does not affect the calculations above unless these refunds are paid to **you** directly in which case **we** will deduct these costs from the total claim.

Example: Partial loss

A **vehicle** that has a carrying capacity of not more than 2 tonne is comprehensively insured for **market value**, in this case \$12,000.

The **vehicle** is stolen and subsequently recovered, **damaged**, 13 days after its theft. The cost of repairs is \$5,500. The basic **excess** is \$500.

How much we pay		Further information
Damage to vehicle	\$5,500	In this case, the vehicle is safe and economical to repair.
Less excess	- \$500	Only the basic excess applies in this example. Normally you 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	Even though you are registered for GST and entitled to an input tax credit , the amount we pay you for personal effects will include GST. Personal effects cover is limited to \$1,000 per event . The sub-limit of this Extra Cover is in addition to the market value of the vehicle
Less Input Tax Credit	\$0	We do not deduct an input tax credit from payments for personal effects .
Total claim	\$5,350	We normally pay the \$350 for personal effects to you (and the remaining \$5,000 directly to the repairer).

If a replacement vehicle of a similar type for a cost of \$100 per day is arranged by **us**:

Plus vehicle hire cost	+\$1,700	The cost per day 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. Note: This benefit would not apply if the vehicle was damaged in an accident instead of being stolen, unless you also selected Optional insurance 2 – Rental vehicle following accident.
Total claim	\$7,050	We normally pay the \$1,700 for vehicle hire directly to the hire company (the \$350 to you and the \$5,000 to the repairer).

Example: How underinsurance applies to partial loss claims

Your vehicle, a truck, is **damaged**.

Your vehicle's insured amount is \$70,000 and the cost to repair **damage** is \$10,000.

Your vehicle's market value is \$100,000 and is therefore insured for 70% of its **market value**. The underinsurance condition applies to the repair costs because it is insured for less than 80% of its **market value**.

There is a basic **excess** of \$500 on **your** policy.

How much we pay	Further information	
Damage to vehicle	\$10,000	In this case the vehicle is safe and economical to repair
After underinsurance	\$8,750	insured amount X repair costs 80% of market value
Less excess	- \$500	Only the basic excess applies in this example. Normally you pay the excess directly to the repairer.
Total claim	\$8,250	We would normally pay this amount directly to the repairer in a partial loss situation.
Amount you pay	\$1,750	You pay this amount, usually directly to the repairer. This amount includes the excess .

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. Normally you pay this amount to us .
Plus our legal costs	+ \$3,000	We incur and do not charge you for these costs.
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 not comprehensively insured:

Damage by uninsured drivers Additional Benefit	\$4,500	Your vehicle is not covered for own damage because Legal Liability Only cover was purchased. However, the Damage by uninsured drivers Additional Benefit provides limited cover in these circumstances for up to \$5,000. For the purposes of this example, the damage to your vehicle will cost more than its market value of \$4,500. It is not repairable and it is a total loss .
Less input tax credit	- \$409.09	If you are registered for GST and entitled to an input tax credit we will deduct this entitlement. In this example you are entitled to a full input tax credit (100%).
Less excess	- \$500	Only the basic excess applies in this example. We deduct this from the amount we pay you .
Less residual value of wreck	- \$500	The remaining value of your damaged vehicle . We deduct this from the amount we pay you .
Total claim	\$3,090.91	We normally pay this directly to you . You will keep the damaged vehicle .

Definitions

The following defined words in this Policy Section have the meanings given to them as set out below. These meanings only apply to this Policy Section and the terms and conditions of this **PDS** as they apply to this Policy Section and prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording (including in the General Definitions).

Agreed value

The amount **we** agree to insure **your vehicle** for, as specified in **your policy schedule**.

Assessed quote

An experienced motor vehicle assessor **we** appoint assesses the quote to make sure it meets industry standards including appropriateness of materials, repair method, labour costs, material costs, safety and overall cost effectiveness of the repairs. The quote may be adjusted or reduced on the recommendation of the assessor.

This assessed quote to repair **damage** to or replace the **damaged** parts of **your vehicle** may be less than what it would cost **you** to arrange the repairs with **your** own repairer, or equal to or less than the amount of repairs quoted by **your** repairer or that **you** have paid. **We** are able to secure supplier discounts from **our recommended repairers**.

Authorised driver

A person controlling, driving or using **your vehicle** with **your** consent.

Contaminants or pollutants

Includes smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials, or other irritants and other contaminants or pollutants. **Contaminants or pollutants** do not include **dangerous goods**.

Damage/Damaged

Sudden or unforeseen physical damage or destruction.

Damage to property

Means:

- **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

Means:

- substances which are shown in the Australian Code for the Transport of Dangerous Goods by Road or Rail (available from www.ntc.gov.au);
- 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

Repairs which are essential for **you** to be able to drive **your vehicle** safely from an accident or **event** causing **damage**.

Employee/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.

Event/Events

For Part 1 of this Policy Section means, in relation to Comprehensive cover: fire, explosion, lightning, theft or attempted theft, storm (including hail) or any other cause.

For Part 1 of this Policy Section means, in relation to Legal Liability, Fire and Theft cover: fire, explosion, lightning, theft or attempted theft or storm (including hail).

For Part 2 of this Policy Section means one incident or all incidents of a series consequent on, or attributable to, one source or original cause covered under Part 2 of this Policy Section.

Inexperienced driver

A person who is 25 years or over and has not held a driver's 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** shown on **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 shown on **your policy schedule** (because it is an additional **vehicle** as defined in 'Cover for additional vehicles' on page 158) – 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 shown on **your policy schedule**.

Market value

The amount that the market would pay for **your vehicle** or **damaged** parts that are obsolete. The market value of **your vehicle** takes into account many factors such as the age, make, model, kilometres travelled and general condition of **your vehicle** immediately before the **loss** or **damage**. **We** may use recognised industry publications to assist **us** in calculating the amount.

Partial loss

Your vehicle is a partial loss when the **loss** or **damage** is not a **total loss**.

Penalty claim

An **event** or claim where **you** are 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 any type, unset jewels or stones, musical instruments, curios, works of art, **money** or credit cards.

Personal injury

Death, bodily injury, sickness, disease, disability, shock, fright, mental injury, mental anguish, or loss of consortium resulting from any of them.

Recommended repairer

A repairer who has been appointed by **us** as a **recommended repairer** because **we** have assessed the repairer as capable of meeting **our** strict standards of quality workmanship, timeliness, efficiency and cost effectiveness.

Substitute vehicle

A vehicle which does not belong to **you** and which **you**, **your** spouse, 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

Your vehicle is a total loss if it is stolen and not recovered within fourteen (14) days of its theft, and **we** agree to accept **your** claim for theft of **your vehicle**, or **your vehicle** is uneconomical or unsafe to repair, including where the combined repair costs and salvage value are likely to be more than the **value of your vehicle**.

We will also have regard to the law in relation to what is considered a write off that applies in **your** State or Territory when determining whether **your vehicle** is to be written off.

Value of your vehicle

The **market value** or **agreed value**, whichever is shown in **your policy schedule**.

Vehicle

Means:

- the vehicle(s) shown on **your policy schedule**; or
- an additional vehicle as defined in 'Cover for additional vehicles' on page 158.

The following accessories will also be insured if they are attached to or are in or on **your vehicle**:

- | | |
|---------------------------|---|
| — baby capsule/car seat | — decals |
| — bonnet protector | — protective mouldings |
| — built in refrigerator | — rear louvre sunshade |
| — bull bar | — registration plate covers |
| — CB and/or 2 way radio | — seat covers |
| — dash mats | — side steps for a 4WD |
| — decorative wheel trims | — sign writing |
| — driving lights | — sound system (fitted as standard by manufacturer) |
| — fire extinguishers | — spare wheel cover |
| — fixed GPS units | — steering locks |
| — fixed roof/ladder racks | — tarpaulins |
| — floor mats | — tools supplied as standard by the manufacturer or similar replacement |
| — headlamp guards | — tow bars |
| — mud flaps | — tool boxes |
| — paint protection | — weather shield |
| — panel/rust protection | — winch. |
| — pin striping | |

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 12 – 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:

- Option A – Specified Perils; or
- Option B – Accidental Damage.

The option **you** choose will be shown on **your policy schedule**.

You can claim for **loss** or **damage** as described under what 'Insuring Clause – 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 24 to 26.

Insuring Clause – 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 as set out below; or</p> <p>(b) Option B - Accidental damage as set out on below.</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 identifiable damage to the transporting vehicle;(ix) collision, crashing or forced landing of the conveying aircraft; or(x) jettison, washing overboard and loss or damage incurred in time of peril.	<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 which you knew and could reasonably have been reasonably expected to know 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) loss or damage caused directly or indirectly because you do not comply with the Australian Code for the Transport of Dangerous Goods by Road and Rail or the Australian Code for the Transport of Explosives by Road or Rail current at the time of the loss or damage (or any subsequent replacement or amendment Code);(e) loss of profit or income, loss of use, loss of earning capacity, delay of any kind or the results of delay, lack of performance, loss of contract, or depreciation in value or any other loss or damage that is not insured loss or damage, unless and to the extent specifically covered under this Policy Section;(f) loss of, or damage to, livestock;(g) loss or damage caused directly or indirectly by the un-roadworthy condition of the conveying vehicle if it is owned by you;

Insuring Clause – What we cover (cont.)

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**.

What we exclude (cont.)

- (h) confiscation or detention by Customs or any lawful authority;
- (i) unexplained inventory shortage, disappearance resulting from clerical errors, or shortage in the supply or delivery of **goods**; or
- (j) **loss** or **damage** caused directly or indirectly by:
 - (i) rust, oxidation, discolouration, mildew, moths, mould, vermin or insects;
 - (ii) heating, sweating or any variation in temperature;
 - (iii) the inherent nature of the **goods**;
 - (iv) ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear; or
 - (v) scratching, denting, chipping, cracking or breakage of **glass** or any fragile items.

Extra Covers

If a claim for **loss** of, or **damage** to, **goods** in **transit** is covered by this Policy Section, **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, for the parts covered under "Insuring Clause – What we cover" in this Policy Section that were **lost** or **damaged** in **transit**, 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 on page 24 to 26 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 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.
-

What we will pay

What **we** will pay for **loss** of, or **damage** to, **goods** covered under this Policy Section is as follows:

Plant, machinery and computers up to five years old

For **loss** of, or **damage** to, **goods** that are plant, machinery and computers up to five (5) years old, **we** will pay:

- (a) the cost of repairing or reinstating such **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 such **goods** that are for purchase or sale, the purchase or sale price plus the cost of packing and transport; or
- (c) in the case of movement of such **goods** that are returns (inwards or outwards) or **stock** transfers and the movement of such **goods** other than for the reason of purchase or sale, the new replacement cost or, if not available, the cost to replace as near as possible to the same make, model and specifications as is available.

Plant, machinery and computers more than five years old

For **loss** of, or **damage** to, **goods** that are plant, machinery and computers more than five (5) years old, **we** will pay:

- (a) the cost of repairing or reinstating such **goods** to a condition equal to but no better or more extensive than their condition immediately prior to the **loss** or **damage** (including the reasonable cost of any necessary overtime);
- (b) in the case of such **goods** that are for purchase or sale, the purchase or sale price plus the cost of packing and transport; or
- (c) in the case of movement of such **goods** that are returns (inwards or outwards) or **stock** transfers and the movement of such **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.

Goods other than plant, machinery and computers

For **loss** of, or **damage** to, **goods** other than plant, machinery and computers, **we** will pay, the lesser of:

- (a) the cost of repairing or reinstating such **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 such **goods** while in **transit** (including freight if separately invoiced to the receiver of such **goods**), or if there is no invoice value, the cost of replacing such **goods** with goods of the same age and condition, or as near as possible to that age and condition.

Temperature controlled goods

For **loss** of, or **damage** to, **temperature controlled goods** other than plant, machinery and computers, **we** will pay the lesser of:

- (a) the cost to re-condition such **goods** (including the reasonable costs of any necessary overtime); or
- (b) the invoice value covering such **goods** while in **transit** (including freight if separately invoiced to the receiver of such **goods**), or if there is no invoice value, the cost of replacing such **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. **We** will deduct an amount for the value of the **goods you** retain from the amount of 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 will pay

The most **we** will pay under this Policy Section for all **goods** in any one (1) **conveyance** is the **insured amount** shown on the **policy schedule** for this Policy Section provided that:

- (a) the most **we** will pay under this Policy Section for trade samples in **transit** in **your** or **your employee's** care, custody and control, is \$10,000 for any one (1) claim or series of claims arising from any one (1) **event**; and
- (b) the most **we** will pay under this Policy Section for 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 (1) claim or series of claims arising from any one (1) **event**.

Excess

The **excess** that applies for each claim **you** make is shown on **your policy schedule**. Please refer to General Claims Condition 11 – Paying your excess for information about the options for paying the **excess**.

Definitions

The following defined words in this Policy Section have the meanings given to them as set out below. These meanings only apply to this Policy Section and the terms and conditions of this **PDS** as they apply to this Policy Section and prevail over any other meaning given to them in other parts of the **PDS** and Policy Wording (including in the General Definitions).

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

Your goods that **you** sell, buy or use in **your business**, including:

- (a) merchandise;
- (b) **temperature controlled goods** if shown on the **policy schedule**;
- (c) trade samples;
- (d) returned goods;
- (e) **stock** transfers;
- (f) retail and sales packaging;
- (g) **customer goods your business** intends to or has repaired, serviced or maintained; and
- (h) 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 195 to 196 for Option A - Specified perils or Option B - Accidental damage, whichever Option 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 transporting **vehicle** or **conveyance** and ending when the **goods** are placed on the transporting **vehicle** or **conveyance**.

Temperature controlled goods

Goods belonging to **you** that require a controlled temperature environment for **transit**.

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** in the **transit**,

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 transporting **vehicle** or **conveyance** and ending when the **goods** are placed on the ground or loading dock immediately adjacent to the transporting **vehicle** or **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, Taxation Administration Act 1953, 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 Australian Financial Complaints Authority or any other external dispute resolution body;
- credit reporting agencies;
- other insurers, reinsurers, insurance investigators and claims or insurance reference services, loss assessors, financiers;
- legal and any other professional advisers or consultants;
- hospitals and, medical, health or wellbeing professionals;
- debt collection agencies;
- any other organisation or person, where **you**'ve asked them to provide **your** personal information to **us** or asked **us** to obtain personal information from them, e.g. **your** mother.

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

Overseas disclosure

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

The complete list of countries is contained in **our** Group Privacy Policy, which can be accessed at www.aami.com.au, 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
- Speak to **us** directly by phoning **us** on 13 22 44
- Email: businessinsurance@aami.com.au

**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

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