



MOBILE BUSINESS INSURANCE

Product Disclosure Statement
and Policy Wording



LUCKY YOU'RE WITH

AAMI



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Welcome to AAMI Mobile 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 of 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 **vehicles** (not exceeding 2 tonnes) under Policy Section 5: 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 5: Commercial Motor.

- Part 4 contains **your** AAMI Mobile Business 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 5 – Commercial Motor **you** should also read 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 Mobile 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 the relevant Policy Section for details, relevant limits, and specific conditions and exclusions that apply)
Policy Section 1 – 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 2 – Professional indemnity	This Policy Section provides cover to you for civil liability arising from a breach that arises from specialist advice or specialist services you provide as part of the business .

Policy Section 3 – 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 4 – 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 5 – Commercial Motor

This Policy Section provides cover for **vehicles** with a choice of Comprehensive, Legal Liability, Fire and Theft, or Legal Liability Only cover.

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 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.

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**.

Your premium includes any discounts **we** have given **you**, and these are applied before the addition of any applicable government taxes and charges.

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**:

- by giving **you** at least 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 14 days (or more) late.

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 Mobile 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 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 insuring vehicles

This Part applies to **you** if **you** are insuring **vehicles** (not exceeding 2 tonnes) under Policy Section 5 – 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 Section 5 (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 Section 5 (vehicles)

The following table is a guide to the significant factors which impact generally on **your** premium in relation to Policy Section 5 (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 5 (vehicles) Protected No claim bonus Optional Insurance

Under Policy Section 5 – 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**. 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.

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 141 to 143 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, Optional Cover, Optional Insurance, Extra Covers or Additional Benefits. Any such additional or higher **excesses** will be detailed in the **Policy**.

Policy Section 5: Excesses

There are a number of **excesses** which apply to Policy Section 5 – Commercial Motor. The amount of each **excess** (other than the basic **excess**) is specified in Policy Section 5. 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 5 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 25 to 26 and on pages 157 to 160.

Part 4: Your AAMI Mobile 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 Section 5 – Commercial Motor 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 this underinsurance condition applies.

Policy Section	Item to which underinsurance condition applies	Page
Policy Section 5 – 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	140 and 141

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 35 to 42 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**;
- **you** undertake construction works or alterations;
- **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** 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 appliances, fittings and fixtures in **your vehicle, machinery**, implements and plant in sound condition to minimise or avoid theft, **loss** or **damage**;
- 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 **you** are insuring **your vehicles** under Policy Section 5 – 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 **your 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**, 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 Policy Section 4 – Tax Probe.

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 the **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. 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.

7. Multiple insured parties

Except as otherwise expressly provided in Policy Section 1 – Public and products liability and Policy Section 4 – 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**.

8. Keeping us up to date

This General Policy Condition is only applicable to Policy Section 5 – 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).

9. 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.

10. 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.

11. The amount of cover

If **you** are not entitled to an **input tax credit** on **your policy** premium, all **insured amounts**, **limits of indemnity** 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**, **limits of indemnity** 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.

2. Minimise loss

You must:

- take all reasonable precautions to minimise or prevent further **loss, damage**, liability or injury. For example, 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 28 and 29; 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.

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 5 – 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 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.

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**.

Exceptions to this are:

Policy Section 1 – Public and products liability where:

- (i) **we** will only pay those legal costs covered under 'Extra Cover 1 – Legal costs' of Policy Section

1 that were incurred by **you** with **our** permission prior to the date of payment of the **limit of liability**; and

- (ii) 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 1, **our** liability to pay legal costs covered under 'Extra Cover 1 – Legal costs' of Policy Section 1, 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 66 of this **policy** for details of these provisions including an example of how the provision described in (ii) above would apply.

Policy Section 2 – Professional Indemnity where:

- (i) **we** will only pay those legal costs covered under 'Extra Cover 1 – Legal costs' of Policy Section 2 that were incurred by **you** with **our** permission prior to the date of payment of the **limit of indemnity**; and
- (ii) if a payment exceeding the **limit of indemnity** has to be made to dispose of a claim against **you** under Policy Section 2, **our** liability to pay legal costs covered under 'Extra Cover 1 – Legal costs' of Policy Section 2, with respect to the **claim**, will be limited to that proportion of those legal costs as the **limit of indemnity** bears to the total compensation and claimant's costs and expenses payable as a result of that claim.

Please refer to the 'Application of limit of indemnity to claims that exceed the limit' clause on page 82 of this policy and to Extra Cover 1 – Legal costs on page 78 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** 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 4 – 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 5 – 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 pages 120 to 121 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.

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 2 – Professional indemnity, 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.

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 3 – Portable and valuable items.

7. Cyber incidents and cyber acts

- (a) 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 or in connection with any **cyber act** or **cyber incident** or **malware or similar mechanism** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **cyber act** or **cyber incident** or **malware or similar mechanism**, subject to (b) and (c) below.
- (b) Provided that paragraph 7(a) above does not apply where an event covered under Policy Section 3 – Portable and valuable items causes the **cyber incident**, unless such event is caused by, contributed to by, resulting from, arising out of or in connection with a **cyber act** or **malware or similar mechanism** or action taken in controlling, preventing, suppressing or remediating any **cyber act** or **malware or similar mechanism**.
- (c) Notwithstanding paragraph 7(a) above, if one of the events listed below (being an event covered under Policy Section 3 – Portable and valuable items) directly results from a **cyber incident** or **cyber act**, we will cover **loss** of, or **damage** to, **property insured** under Policy Section 3 – Portable and valuable items.

Event

- Fire;
- Lightning or thunderbolt;
- Explosion or implosion;

- Storm, wind, rainwater, cyclones or tornadoes, snow or sleet, hail and run-off of rainwater;
- Water damage;
- **Aircraft** or **vehicle** impact;
- Falling objects;
- Earthquake, tsunami, subterranean fire, or volcanic eruption, or fire resulting from any of these;
- Theft or attempted theft of tangible property.

For 7. above **property insured** does not include **data**.

Loss of, or damage to, **data** is not **loss** or **damage**.

This General Exclusion and the cover written back to exclusion 7. only applies to Policy Section 3 - Portable and valuable items.

8. Data Loss

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

- any **loss, damage**, liability, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:
 - total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of **data**;
 - error or omission in creating, amending, entering, deleting or using **data**;
 - total or partial inability or failure to receive, send, access or use **data** for any time or at all; or
 - any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any **data**; or

(ii) the value of any **data**,
subject to (b) and (c) below.

(b) Provided that sub-paragraph 8(a) (i) above does not apply if one of the events listed below (being an event covered under Policy Section 3 – Portable and valuable items) causes any of the matters described in sub-paragraphs 8(a) (i) 1 to 4 above.

Event

- Fire;
- Lightning or thunderbolt;
- Explosion or implosion;

- Storm, wind, rainwater, cyclones or tornadoes, snow or sleet, hail and run-off of rainwater;
- Water damage;
- **Aircraft** or **vehicle** impact;
- Falling objects;
- Earthquake, tsunami, subterranean fire, or volcanic eruption, or fire resulting from any of these;
- Theft or attempted theft of tangible property.

(c) If one of the events listed below (being an event covered under Policy Section 3 – Portable and valuable items) is caused by any of the matters described in sub-paragraphs 8(a) (i) 1 to 4 above, **we** will cover **loss** of, or **damage** to, **property insured** under Policy Section 3 – Portable and valuable items.

Event

- Fire;
- Explosion or implosion;
- Water damage;
- **Aircraft** or **vehicle** impact;
- Falling objects;
- Theft or attempted theft of tangible property.

For 8. above **property insured** does not include **data**.

Loss of, or damage to, **data** is not **loss** or **damage**.

Paragraphs 8(b) and (c) above only apply to Policy Section 3 – Portable and valuable items.

9. Data liability

This **policy** does not cover legal liability for communication, display, distribution or publication of **data**.

This exclusion does not apply to bodily injury, death, sickness, disease, disability, shock, fright, mental injury, mental anguish or loss of consortium resulting from the communication, display, distribution or publication of **data**.

10. Sanctions

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

When we may refuse a claim/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.

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.

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.

Computer system

Any computer, hardware, software, communications system, electronic device, (including, but not limited to, any smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output or data storage device, networking equipment or back up facility.

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.

Cyber act

An unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **computer system**.

Cyber incident

- (a) any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **computer system**; or
- (b) any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **computer system**.

Damage/Damaged

Sudden and unforeseen physical damage or destruction.

Data

Information, facts, concepts, code or any other information of any kind that is converted, recorded or transmitted in a form to be accessed, communicated, displayed, distributed, interpreted, processed, transmitted or stored or used in or by a **computer system**.

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 5 – 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** .

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

Flood

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

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

Fungus/Fungi

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

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.

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.

Malware or Similar Mechanism

Any program code, programming instruction or other set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programmes, data files or operations (whether involving self-replication or not), including but not limited to 'virus', 'Trojan horses', 'worms', 'logic bombs' or 'denial of service attack'.

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.

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 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.

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.

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 5 – 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 – 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 in **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 30 to 34.

Your insurance under this Policy Section

Insuring Clause – What we cover

We will cover **your legal liability** to pay compensation in respect of any claim for **personal injury, property damage** or **advertising liability** which:

- occurs during the **period of insurance**;
- is caused by an **occurrence** in connection with the **business** or **products**;
- occurs within the **geographic limitations**; and
- is neither intended or expected by **you**.

What we exclude

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:

1. Types of advertising liability

In respect of **advertising liability**:

- an act, error or omission that occurs prior to the first period of insurance that this Policy Section is included in **your policy**;
- statements made by **you** or at **your** direction in the knowledge that such statements are false;
- 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;

Insuring Clause – What we cover

What we exclude (cont.)

- (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.

2. Pollution

- (a) the discharge, dispersal, release or escape of **pollutants** into or upon land, the atmosphere or water unless such discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended from **your** standpoint and takes place in its entirety at a specific time and place;
- (b) the cost of preventing, removing, nullifying or cleaning up any **contamination** or pollution as a consequence of the discharge, dispersal, release or escape of any **pollutants**. 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

Insuring Clause – What we cover

What we exclude (cont.)

- (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

Insuring Clause – What we cover

What we exclude (cont.)

(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;
- (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;
- (b) any **aircraft**; or
- (c) 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;
- (d) the selling or manufacturing of **aircraft** or the manufacture, assembly or supply of any **products** that are used with **your** knowledge in **aircraft**;
- (e) the leasing, hiring or chartering of **aircraft** to or from **you**;
- (f) 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
- (g) the repair, service or maintenance of **watercraft** exceeding eight (8) metres in length or the installation of any **products** into **watercraft** exceeding eight (8) metres in length unless such repair, service, maintenance or installation does not affect the navigation, propulsion or safety of such **watercraft**.

7. Professional duty

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

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

8. Fines, penalties and punitive damages

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

9. Product and known defects

- (a) **damage** to **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.

Insuring Clause – What we cover

What we exclude (cont.)

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**;
- (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) any liability for **property damage to media** or loss or damage of, or distortion to, **data** 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.

Insuring Clause – What we cover

What we exclude (cont.)

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) and (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:

Insuring Clause – What we cover

What we exclude (cont.)

- (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

23. Weakening of support to property

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

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

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

24. Molestation

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

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

25. 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.

1. Legal costs

What we cover

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**.

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

What we exclude

Additional Benefits

We will also provide the following Additional Benefits in this Policy Section subject to the General Exclusions and all the terms, conditions and exclusions and any **endorsement** that apply to this Policy Section, unless stated otherwise.

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

Any amounts payable under these Additional Benefits do not apply in addition to the **limit of liability** shown on **your policy schedule** for this Policy Section, unless stated otherwise.

1. First aid costs

What we cover

We cover expenses incurred by **you** for first aid to others at the time of an **occurrence** which gives rise to **your legal liability** covered by this Policy Section.

2. Property in your physical or legal control

What we cover

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

- (a) to any customer, **principal** or person for whom **you** perform work in the course of the **business** for:
 - (i) the cost of replacing keys or security cards which are **damaged**, destroyed, **lost** or stolen whilst in **your** physical or legal control or that of another person or entity who undertakes or has undertaken work on **your** behalf;

What we cover**What we exclude (cont.)**

- (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; or
- (iii) the **loss** of use of keys, security cards, locks, locking mechanism or other security devices caused by the **damage**, destruction, **loss** or theft of keys or security cards whilst in **your** physical or legal control or that of another person or entity who undertakes or has undertaken work on **your** behalf;

subject to a maximum of \$5,000 in respect of any one **occurrence** and in the aggregate for any one (1) **period of insurance** unless some other **limit of liability** is specified in the **policy schedule** or attached by **endorsement**;

- (b) for **property damage** to **premises** which are leased or rented by **you** for the purpose of carrying on **your business** and the liability does not arise from **your** failure to insure the **premises** as required in the lease or rental agreement;
- (c) for **property damage** to **your** directors' or **employees'** property to the extent it is not otherwise covered under Policy Section 3 – Portable and valuable items;

What we cover**What we exclude (cont.)**

- (d) for **property damage** at a work site or building temporarily occupied by **you** for the purpose of carrying out work in connection with the **business** or **property damage** to the contents of such premises, up to the **limit of liability** shown on the **policy schedule**; or
- (e) for **property damage** to property not owned by **you** but in **your** physical or legal control (other than property referred to in subparagraphs (a) through to (d) of this Additional Benefit and (e) and (f) of the Additional Benefit 3 – Vehicles), subject to the most **we** will pay for any one (1) **occurrence** is \$250,000 or any other greater amount set out in **your policy schedule**.

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

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;

What we exclude

In respect of Additional Benefit 3. Vehicles, **we** will not pay whilst the **vehicle** is:

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

What we cover**What we exclude (cont.)**

- (e) **property damage to vehicles** not belonging to **you** or used by **you** or on **your behalf**, but in **your** physical or legal control while being driven on a public **road**, for the purpose of servicing, repairing or testing as part of **your business**; or
- (f) **property damage** caused by the use of any **vehicle** not belonging to **you** but in **your** physical or legal control whilst being driven or moved for the purpose of servicing, repairing, delivery or testing as part of **your business**,

provided that in relation to paragraphs (e) to (f) 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 3.

What we cover**What we exclude (cont.)**

Policy Section Exclusion 20 – Property in physical or legal control does not apply to subparagraphs (d) through to (f) of this Additional Benefit 3.

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 a **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

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** visits 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 the 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 exclude

What we will pay

Public liability

We will pay up to the “Public Liability” **limit of liability** shown on **your policy schedule** in total 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 the Commonwealth of 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 the 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 18 to 22.

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 the 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 the 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 the 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**.

Manual labour

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

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 or 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 **you** possession or control which has been manufactured, grown, extracted, produced, processed, assembled, constructed, erected, installed, repaired, serviced, treated, sold, supplied, resupplied or distributed by **you** in the course of **your business**. The term includes anything (including any component, packaging or container of or for such thing) which by operation of a law of the 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 the Australia or New Zealand and which carry on **your business**;
- (d) any director, executive officer, **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 2 – Professional indemnity

About this Policy Section

This Policy Section covers **you** for civil liability arising from a **breach** during the **period of insurance** arising from **specialist advice** or **specialist services** provided by **you** as part of the **business**.

You can claim for civil liability as described under ‘Insuring Clause – What we cover’ and ‘What is a breach?’, if:

- ‘Professional indemnity’ is shown under ‘Sections 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 30 to 34.

Your insurance under this Policy Section

What is a breach?

A **breach** means:

- (a) Any **breach** by **you**, or someone acting on **your** behalf, of:
 - (i) a professional duty owed to a customer;
 - (ii) the Competition and Consumer Act 2010 (Cth), Corporations Act 2001 (Cth), National Consumer Credit Protection Act 2009 (Cth) or similar legislation enacted for the protection of consumers, within any Australian jurisdiction including any amendment, consolidation or re-enactment of such legislation; or
- (b) a contractual liability that is not an express warranty, guarantee, hold harmless or indemnity clause, unless such liability would have attached to **you** in the absence of such an agreement;
- (c) **you** unintentionally infringing intellectual property rights; or
- (d) **you** unintentionally defaming someone.

Insuring Clause – What we cover

We will insure **you** for **claims** made against **you** for civil liability to pay compensation to third parties and their costs and expenses arising from a **breach**, provided the **breach**:

1. occurs during the **period of insurance**; and
2. arises from the provision of **specialist advice** or **specialist services** by **you**, or someone acting on **your** behalf, as part of the **business**.

This is provided that, where required by law or industry regulation, **you**, or a person or persons on **your** behalf providing the **specialist advice** or **specialist services** as part of **your business**, hold the required qualifications to do so by an institution authorised under the Australian Qualifications Framework.

What we exclude

This Policy Section (including the Additional Benefits unless expressly stated otherwise) does not cover **you** for civil liability arising directly or indirectly out of, or caused by, through, or in connection with, or for:

1. Public, Products or Advertising Liability

an **occurrence** insurable under Policy Section 1 – Public and product liability. This exclusion extends to a **claim** where such an insurable **occurrence** falls outside of the **period of insurance** of Policy Section 1 – Public and products liability.

2. Personal injury

personal injury, unless such injury arises as a direct result of;

- (a) a **breach** of any professional duty that arises from the provision of **specialist services** or **specialist advice** 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.

3. Assumption of liability

any assumption of liability by **you** outside the normal course of providing **your specialist advice** or **specialist services** as part of the **business**.

4. Fees

fees or charges, or the refund of fees or charges, (by way of damages or otherwise) charged by **you** for the provision of **your specialist advice** or **specialist services** as part of **your business**.

5. Fines, penalties and punitive damages

fines, penalties, punitive, exemplary or aggravated damages however imposed.

6. Trading debts, insolvency, liquidated damages and contractual liability

- (a) any trading debt incurred, or any guarantee in respect of such debt, given by **you** or on **your** behalf;
- (b) the insolvency, bankruptcy or receivership of the **business**;
- (c) liquidated damages imposed upon **you** by contract or agreement, except to the extent that **you** would have been liable for that damage in the absence of any such contract or agreement; or
- (d) any contractual liability assumed by **you** under any express warranty, guarantee, hold harmless agreement or indemnity clause, unless such liability would have attached to **you** in the absence of such agreement.

Insuring Clause – What we cover

What we exclude (cont.)

7. Subrogation waiver

you at any time entering into a deed or agreement excluding, limiting or delaying **your** legal rights of recovery against another.

8. Dishonest, fraudulent or criminal acts

- (a) any dishonest, fraudulent, criminal or malicious act or omission by **you**, or on **your** behalf; or
- (b) any breach of any statute committed by **you**, or on **your** behalf, with reckless or wilful intent.

9. Asbestos and pollution

- (a) asbestos, asbestos fibres or derivatives of asbestos; or
- (b) the discharge, dispersal, release or escape of **pollutants** into or upon land, the atmosphere or water; or
- (c) 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**.

10. Directors and Officers Liability

your directors', officers' or **employees'** functions and duties as a director and/ or officer and/ or **employee** of any legal entity, corporation or other incorporated body.

11. Employers Liability

- (a) the death, bodily injury, disease or illness of an **employee**, director, partner or trustee arising out of or in the course of or in respect of his/her employment;
- (b) a breach of any obligation owed by the **insured**, or an **employee** to another **employee**; or
- (c) any liability imposed by the provisions of any workers' compensation statute or any industrial award or agreement or determination.

12. Related Parties

any **claim** brought by:

- (a) **you**;
- (b) any company or trust which is operated or **controlled** by **you** or **your** nominees or trustees and in which **you** have a direct or indirect financial interest;
- (c) any company in which **you** have or have held at least a 20% financial interest and have had or have board representation on that company; or
- (d) any **relative** or any company owned or **controlled** by a **relative**, unless the **specialist advice** or **specialist services** that gave rise to the **claim** was authorised by a person:
 - (i) qualified to do so; and
 - (ii) who is not related to the **relative**.

13. Products Liability

personal injury or property **damage** arising from **your product(s)**.

This exclusion will not apply to a **claim** arising solely from advice, design or specifications prepared by **you**, or someone acting on **your** behalf, where that advice, design or specifications is part of the **specialist advice** or **specialist services**.

14. Territorial and jurisdictional limits

a **claim** that:

- (a) is brought or instituted against **you**, or any judgement obtained against **you** (whether or not such judgement is enforced by the courts of the Commonwealth of Australia or New Zealand), within the **United States** or **Canada**; or
- (b) arises from any act, error or omission occurring within the **United States** or **Canada** or the conduct of **specialist advice** or **specialist services**:
 - (i) within the **United States** or **Canada**; or
 - (ii) provided to persons or entities in the **United States** or **Canada**.

15. Faulty Workmanship

- (a) the cost of performing, completing, correcting or improving any **specialist advice** or **specialist services** in respect of tangible property or **your products** provided by **you** or on **your** behalf or for **your** benefit;

Insuring Clause – What we cover

What we exclude (cont.)

- (b) the cost arising from **your** partial or total failure or inability to provide, perform or complete **your specialist advice** or **specialist services**.

For the avoidance of doubt, if **you** are a licensed builder, this exclusion also extends to any obligations **you** have under any consumer legislation relating to builders warranty.

However, this exclusion will not apply to a **claim** for a defect arising solely from advice, design or specifications prepared by **you**, or someone acting on **your** behalf, where that advice, design or specifications is part of the **specialist advice** or **specialist services**.

16. Vehicles

the ownership, use, legal possession, or legal control by **you** of any **vehicle, aircraft** or **watercraft**.

17. Molestation

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

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

Extra Covers

1. Legal costs

What we cover

If a **claim** for civil liability is covered under 'Insuring Clause – What we cover' of this Policy Section, **we** will also pay the insured **legal costs** in addition to any compensation or claimant's costs and expenses.

If the amount of compensation and claimant's costs and expenses exceeds the **limit of indemnity**, **we** will only pay **legal costs** up to the same proportion that the **limit of indemnity** bears to the total compensation and claimant's costs and expenses payable as a result of that **claim**.

Example

Limit of liability = \$10,000,000

Amount of compensation and claimant's costs and expenses = \$20,000,000

Legal costs = \$100,000

Limit of liability is 50% of the amount of compensation and claimant's costs and expenses

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

What we exclude

2. Court attendance compensation costs

What we cover

If a **claim** for civil liability is covered under this Policy Section, **we** will also pay the **insured** compensation if legal advisers, acting with **our** consent, require **you** to attend court as a witness in connection with a **claim** covered under this Policy Section.

We will compensate the **insured** under this Extra Cover for each day that attendance is required at a maximum of \$250 per person per day and a maximum of \$10,000 in total for any one **claim**.

What we exclude

We will not pay compensation to the **insured** if the **insured** does not actually pay for **your** time.

Additional Benefits

We will also provide the following Additional Benefits in this Policy Section subject to the General Exclusions and Policy Section Exclusions and any **endorsement**. With the exception of Additional Benefit 1 – Retroactive Cover and unless stated otherwise below, any amounts payable under these Additional Benefits apply in addition to the **limit of indemnity**.

1. Retroactive cover

What we cover

If **you** held a Professional indemnity policy which covered **you** for the same **specialist advice** or **specialist services** that **you** provided as part of **your business** as is covered by this section, that either lapsed or expired simultaneously with the inception of this Policy Section, then **we** will cover a **claim** for civil liability for a **breach** arising from the **specialist advice** or **specialist services** as part of the **business** that occurred prior to the inception of this Policy Section but not prior to any retroactive date on such a prior policy.

Any amounts payable under this Additional Benefit are included in, and not in addition to, the **limit of indemnity**.

What we exclude

We will not pay any **claim** for civil liability or **legal costs** or any **breach** arising from any **specialist services** or **specialist advice** as part of the **business** that **you** knew about prior to purchasing this Policy Section and which had given rise to actual or potential complaints or **claims**.

2. Inquiry costs

What we cover

We will pay the **insured** for **inquiry costs** provided that:

- (a) the notice requiring **your** response or attendance relating to **specialist advice** or **specialist services** provided as part of **your business** covered by this Policy Section and is received by **you** and notified to **us** during the **period of insurance**;
- (b) **we** have given **our** written consent to **you**, (such consent not to be unreasonably withheld) before **you** incur any **inquiry costs**; and
- (c) **we** may appoint legal representation to represent **you** at the inquiry or hearing.

The most **we** will pay for **inquiry costs** under this Additional Benefit is \$100,000 in total in any one (1) **period of insurance**.

What we exclude

We will not pay any **inquiry costs** that would be eligible to be paid under Additional Benefit 7 – Representation costs of Policy Section 1 – Public and Products Liability.

3. Public relations expenses

What we cover

We will pay the **insured** for **public relations expenses** incurred by **you** in respect of an **adverse publicity event** that first occurs during the **period of insurance** and is notified to **us** within 30 days of the **adverse publicity event** happening.

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

- (a) \$25,000 for any one (1) **adverse publicity event**; and
- (b) \$100,000 in total for all **adverse publicity events** during any one (1) **period of insurance**.

Excess

An **excess** of \$1,000 applies to each **adverse publicity event** under this Additional Benefit.

What we exclude

We will not pay for any **adverse publicity event** that is notified to **us** more than 30 days after the **adverse publicity event** happened.

What we will pay

Professional indemnity

All **claims** arising out of, based upon, attributable to or in respect of a single **breach** or act, error or omission giving rise to a **breach** or series of **breaches** or acts, errors or omissions giving rise to a **breach**, consequent upon or attributable to one source or original cause shall be considered to be one **claim** and shall attract one **limit of indemnity** and one **excess**.

The maximum **we** will pay for all **claims** in total which are covered under 'Insuring Clause – What we cover' in this Policy Section is up to twice the **limit of indemnity**.

Legal Costs

If a **claim** for civil liability is covered under this Policy Section, **we** will also pay the **legal costs** in addition to any compensation or claimant's costs and expenses, subject to the "Application of limit of indemnity to claims that exceed the limit" below.

Application of limit of indemnity to claims that exceed the limit

If the amount of compensation and claimant's costs and expenses payable as a result of a **claim** exceeds the **limit of indemnity**, we will only pay **legal costs** up to the same proportion that the **limit of indemnity** bears to the total compensation and claimant's costs and expenses payable as a result of that **claim**.

Inquiry costs and public relations expenses

The costs and expenses covered under Additional Benefit 2 – Inquiry Costs and Additional Benefit 3 – Public Relations Expenses are paid in addition to the **limit of indemnity**, subject to any applicable sub-limit.

Excess

The **excesses** that apply to each **claim** are shown on the **policy schedule**.

An **excess** of \$1,000 applies to each **adverse publicity event** under Additional Benefit 3 – Public Relations Expenses.

Other **excesses** set out in any **endorsement** may also apply.

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).

Adverse publicity event

means an **event** which, in **your** reasonable opinion, might cause the reputation of the **insured** to be seriously affected by adverse or negative publicity.

Breach

means:

- (a) Any breach by **you**, or someone acting on **your** behalf, of:
 - (i) a professional duty owed to a customer;
 - (ii) the Competition and Consumer Act 2010 (Cth), Corporations Act 2001 (Cth), National Consumer Credit Protection Act 2009 (Cth) or similar consumer protection legislation enacted for the protection of consumers, within any Australian jurisdiction including any amendment, consolidation or re-enactment of such legislation; or

- (b) a contractual liability that is not an express warranty, guarantee, hold harmless or indemnity clause, unless such liability would have attached to **you** in the absence of such an agreement;
- (c) **you** unintentionally infringing intellectual property rights; or
- (d) **you** unintentionally defaming someone.

Claim

means any demand made by a third party upon **you** for compensation, however conveyed, including a writ, statement of claim, application or other legal or arbitral process.

Controlled

has the meaning given by section 50AA of the Corporations Act 2001 or any subsequent amendment.

Employee

means a natural person employed under a contract of service or apprenticeship by **insured** and includes any trainee, volunteer and casual, part-time, seasonal, temporary and work experience personnel.

Inquiring body

any official body or institution empowered by law to investigate **your** professional conduct including but not limited to a coroner's court, Royal Commission, statutory regulatory body, tribunal or legally constituted industry or professional board but excluding any parliament or any committee of a parliament.

Insured

means any person, company or legal entity shown on the **policy schedule**.

Inquiry costs

means the necessary and reasonable legal costs and expenses incurred by **you** arising out of any notice from an **inquiring body** requiring a response from **you** or requiring **your** attendance at an investigation, inquiry or hearing held before the **inquiring body** (not being **legal costs**).

Legal costs

means all necessary and reasonable costs and expenses incurred by **us**, or by **you** with **our** prior written consent, in defending, investigating or settling any **claim** for civil liability **claim** covered under Insuring Clause – 'What we cover' in this Policy Section (not being claimant's costs and expenses).

Limit of indemnity

Means the limit of indemnity for this Policy Section shown on the **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**.

Public relations expenses

means the reasonable costs, charges, fees and expenses of a public relations firm or consultant engaged, with **our** prior written consent, to prevent or limit the adverse effects of or negative publicity from an **adverse publicity event**.

Relative

means **your**:

- (a) **spouse**, domestic partner or de facto partner;
- (b) parent;
- (c) children or siblings; or
- (d) the **spouse**, domestic partner, de facto partner, parent, child or sibling of a relative specified in (a), (b), and (c) above; or
- (e) a parent of **your spouse**, domestic partner or de facto partner.

Specialist advice/specialist services

means advice, services (which includes work) or treatments for which training and experience is required and which is regarded as being advice or being a service usually provided by **your** trade or occupation.

Spouse

means a lawful spouse, domestic partner (including without limitation same sex partner) or any person deriving similar status by reason of the common law or statute.

Your product(s)

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

You/your

- (a) the **insured**;
- (b) where the **insured** is a natural person, the estate, heirs, legal representatives or legal assigns of such natural persons in the event of their death or legal incapacity; and
- (c) any past and/or present **employee** of the **insured** but only in his or her capacity as such.

Policy Section 3 – 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 30 to 34.

Your insurance under this Policy Section

Insuring Clause – What we cover

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**.

For **property insured** shown as **specified items** on **your policy schedule** **we** cover up to the replacement value.

For **property insured** shown as **unspecified items** on **your policy schedule** **we** cover up to \$2,500 per item.

What we exclude

We do not cover:

- (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**;

Insuring Clause – What we cover

What we exclude (cont.)

- (c) **loss** or **damage** caused by or arising out of:
 - (i) the actual process of cleaning, maintenance, overhaul, repair or renovation, alteration, addition or undergoing a trade process;
 - (ii) wear and tear, fading, gradual deterioration or developing flaws, normal upkeep or making good, or any gradual cause;
 - (iii) moths, termites or other insects or vermin;
 - (iv) scratching, biting or chewing by any **animal**;
 - (v) chipping, scratching, denting or marring that does not materially affect the use or operation of the **property insured**;
 - (vi) change in colour, loss of weight, change in flavour, texture or finish;
 - (vii) the action of light, atmospheric conditions, any form of **fungus** or extremes of temperature, rust or oxidation, wet or dry rot, corrosion, inherent vice or latent defect;
 - (viii) mechanical, hydraulic, electrical or electronic breakdown, burnout, failure, malfunction or derangement of any equipment or device;
 - (ix) soot or smoke from industrial operations (other than sudden and unforeseen resultant damage);
-

Insuring Clause – What we cover

What we exclude (cont.)

- (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

Insuring Clause – What we cover

What we exclude (cont.)

- (xxii) persons taking part in riots or civil commotion;
- (d) **loss** of, or **damage** to, **money** or documents of any kind, unless the Optional Insurance 2 – Money is shown on **your policy schedule**;
- (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) **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.

Insuring Clause – What we cover

What we exclude (cont.)

- (i) **you** for any **loss** or **damage** caused by or arising out of theft from any building or **vehicle** unless the **property insured** was:
- (i) securely locked in a **vehicle** and the theft was consequent upon forcible and violent entry which causes visible **damage** to the **vehicle**;
 - (ii) securely affixed to a **vehicle** and theft is consequent upon forcible and violent removal;
 - (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
- (iii) stolen as a consequence of armed hold up or the threat of physical violence.

Exclusions (i) (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.

What we exclude

Additional Benefit

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** 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 insured** was:

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

What we cover

What we exclude (cont.)

- (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 insured**; or
- (e) securely locked in a building or any part of the building and the theft is consequent upon forcible and violent entry to the building or that part of the building, 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; or
- (f) stolen as a consequence of armed holdup 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**.

2. Your dog

What we cover	What we exclude
<p>We will cover any veterinary fees and reasonable disposal or funeral expenses resulting from a sudden, unforeseen and unintended accident occurring during the period of insurance causing the death of or injury to your dog.</p> <p>The most we will pay for all claims covered under this Additional Benefit in total is \$1,000 in any one (1) period of insurance.</p>	<p>We will not pay for any costs, fees or expenses associated with:</p> <ul style="list-style-type: none">(a) your dog suffering illness or disease;(b) Something your dog has eaten;(c) a business activity such as security, racing, farming or grazing;(d) insect bites or insect infestation such as heart worm, fleas, ticks or mites.

3. Your GPS navigation unit

What we cover	What we exclude
<p>If your GPS navigation unit is not a specified item, we will cover you for the accidental loss of or accidental damage to your GPS navigation unit.</p> <p>The most we will pay for all claims covered under this Additional Benefit in total is \$1,000 in any one (1) period of insurance.</p>	<p>We do not cover any loss or damage caused by any of the circumstances in the “What we exclude” section of the main insuring clause of this Policy Section. See pages 86 to 90.</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**.

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.

2. Money

What we cover

We will cover **accidental loss of money** while it is:

- (a) in **your** custody or in the custody of persons authorised by **you**; or
- (b) in a night safe until removed by a bank **employee**.

The most **we** will pay for all claims covered under this Optional Cover in total is \$3,000 in any one (1) **period of insurance**.

Excess

The **excess** shown on the **policy schedule** applies to any claim under this Optional Cover.

What we exclude

We will not pay for:

- (a) **loss** from an unattended **vehicle**,
 - (b) **loss** from a bank night safe after the usual closing time of the bank on the next business day following the deposit;
 - (c) wages and salaries once they have been paid to **employees**;
 - (d) shortages resulting from clerical or accounting errors or **loss** due to errors in receiving or paying out; or
 - (e) any act of fraud or dishonesty by **you** or by **your employee**.
-

3. Emergency hire costs

What we cover

If a claim under this Policy Section for **accidental loss** or **damage** to **property insured** is covered by this Policy Section, **we** will also pay the additional costs necessarily and reasonably incurred by **you** for the resumption or maintenance of normal **business** operations in the 7 days following the occurrence of **loss** or **damage** and resulting from the **occurrence**.

These costs include, but are not limited to:

- (a) the temporary hire of replacement equipment;
- (b) the hire of other contractors or casual staff to complete work on **your** behalf;
- (c) the costs of expedited or express postage of replacement **property insured**.

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

What we exclude

We will not pay for:

- (a) any costs or expenses that do not relate to the first 7 days following the occurrence of the **accidental loss** or **damage**;
- (b) any fines, penalties, or liability incurred by **you**;
- (c) for any **loss** or **damage** to **your** property; or
- (d) any costs incurred after **we** have replaced, or paid to replace, the **property insured** that was the subject of the claim.

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 the **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 on **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 on **your policy schedule**. The group or class described may include hand tools and hand held power tools.

Policy Section 4 – Tax Probe

About this Policy Section

This Policy Section provides cover for the **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 we exclude”; and
- the claim is not excluded under the General Exclusions listed on pages 30 to 34.

Your insurance under this Policy Section

Insuring Clause – What we cover

We cover **professional fees** reasonably and necessarily incurred by **you** in connection with a **tax audit** by an **authority**, which is commenced and notified to **us** during the **period of insurance**.

The type and extent of cover under this Policy Section will depend on whether **you** select:

- (a) Business Audit Only – with Investigation Cover (which excludes Extra Cover 2 – Directors’ personal tax returns); or
- (b) Business AND Directors Audit – with Investigation Cover (which includes Extra Cover 2 – Directors’ personal tax returns); or
- (c) Individual Cover (which provides cover for **insureds** who are not companies but excludes Extra Cover 2 – Directors’ personal tax returns).

What we exclude

1. Returns not prepared by a tax agent

Any **professional fees** relating to, arising from or in connection with any income **return** that has not been prepared or reviewed prior to dispatch by **your tax agent**. However, this exclusion does not apply to any **return** for:

- (a) Goods and Services Tax;
- (b) income derived from:
 - (i) any payment under a contract of employment of service between **you** and any other person, company or entity, other than when that payment is paid by a company for which **you** are a director or have a controlling interest;
 - (ii) any payment from superannuation, pension or their retirement benefit; or

- (iii) personal investments that **you** are not wholly or mainly dependent on.

2. Representations, errors in information and improper conduct

Any **professional fees** relating to, arising from or in connection with:

- (a) **you** or **your tax agent** making a statement to the **authority** that is false or misleading except that this exclusion will not apply where a false or misleading statement results from **you** being misled by the **authority** or where **you** did not and could not be expected to know that a statement was false or misleading;
- (b) any fraudulent act or fraudulent omission or statement made to an **authority** arising from any act committed deliberately or with **your** wilful intent;
- (c) an **authority**, or its authorised representative, having assessed **your** behaviour as being a case of **intentional disregard** or **recklessness**;
- (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

your failure to respond to the **authority** within the time it has specified for **you** to give **your** response.

4. Imposition of penalties

The imposition of or the seeking to impose any tax, penalty tax, costs, interest, fine or penalty by any **authority**, court or tribunal.

5. Shortfall tax audits

Any **professional fees** relating to, arising from or in connection with a **tax audit** where an **authority** imposes or seeks to impose a penalty due to any **shortfall amount**, or part of that amount, resulting from:

- (a) intentional disregard of a **designated tax** by **you** or **your tax agent**; or
- (b) **recklessness** by **you** or **your tax agent** as to the operation of a **designated tax**.

6. Subrogation agreements

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

7. Territorial limitations

(a) Any tax **return**:

- (i) prepared by a person who ordinarily resides outside Australia and its external territories; or
- (ii) for a company, firm or entity which operates outside Australia and its external territories.

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

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

Insuring Clause – What we cover

What we exclude (cont.)

- (ii) costs to pursue or defend any legal actions against **you** or initiated by **you** (unless it is agreed to by **us**);
 - (iii) any inquiry from an **authority** which is not related to either an identified intention to conduct a **tax audit** or is not directed at obtaining information or **data** for a possible future **tax audit**;
 - (iv) any routine enquiries, or enquiries from a **tax agent** which are not identified as being either preliminary to, or relating to a **tax audit** of a **return**; or
 - (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.

What we exclude

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 the **professional fees** reasonably and necessarily incurred by each director in connection with an **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 for 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.

What we exclude

Policy Section Conditions

These conditions apply to all covers and claims under this Policy Section in addition to the General Policy Conditions on pages 18 to 22 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 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 will 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 30 to 34; 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 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 **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 5 – 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 covers **your vehicles**:

- **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 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, the Policy Section Exclusions on pages 160 to 164, the General Exclusions on page 30 to 34 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 160 to 164;
- the **loss** or **damage** is not excluded by any of the General Exclusions on pages 30 to 34; and
- the **loss** or **damage** is not excluded by any **endorsement**.

Insuring clause - What we cover

When “Comprehensive Cover” is shown on **your policy schedule**, we cover the theft, **loss** of, or **damage** to **your vehicle**:

1. caused by an **event** which happens during the **period of insurance**; and
2. occurs within Australia or its external territories.

When “Legal Liability, Fire and Theft Cover” is shown on **your policy schedule** we cover theft, **loss** of, or **damage** to **your vehicle**:

What we exclude

We do not cover:

- **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, mildew, corrosion or depreciation.
- any **vehicle** accessories other than those:
 - supplied by the manufacturer of **your vehicle** as original equipment;
 - stated within the definition of **vehicle**, or
 - accessories shown on **your policy schedule**.

Insuring Clause – What we cover

- (a) caused by one of the following **events** only which happens during the **period of insurance**:
- (i) Fire;
 - (ii) Explosion;
 - (iii) Lightning;
 - (iv) Theft or attempted theft; or
 - (v) Storm (including hail),
- (b) which occurs within Australia or its external territories.

What we exclude (cont.)

- 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:
 - 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,

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;

- **loss** of, or **damage** to, **your vehicle** due to using incorrect fuel or additive.
- **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**.

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

- **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 160 to 164, the General Exclusions on page 30 to 34, 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**.

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**.

What we cover

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
- (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.

What we exclude (cont.)

- **we** have made a payment under Extra Cover 12 or Extra Cover 13 of Part 1 of this Policy Section.

What we cover

What we exclude (cont.)

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 page 136).

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. Death of driver

What we cover	What we exclude
<p>This Extra Cover only applies if your vehicle is insured for Comprehensive Cover.</p> <p>If you or the authorised driver of your vehicle sustains a fatal injury during the event covered under Part 1 – “Loss or damage to your vehicle” of this Policy Section, we will pay:</p> <ul style="list-style-type: none">• \$10,000 to the estate of the deceased person; and• up to \$10,000 for any one (1) event for travel costs within Australia and its external territories for members of the deceased driver’s immediate family to attend the deceased driver’s funeral. <p>This benefit will not be reduced by any accident compensation.</p>	<p>We will not pay for any claim under this Extra Cover:</p> <ul style="list-style-type: none">• if the driver of your vehicle dies:<ul style="list-style-type: none">– more than twelve (12) months from the date of the event; or– because the driver committed suicide; or• if we have paid any amount under Extra Cover 4 – “Personal accident” of Part 1 of this Policy Section in respect of the same driver.

4. Personal accident

What we cover	What we exclude
<p>This Extra Cover only applies if your vehicle is insured for Comprehensive Cover.</p> <p>We will pay under this Extra Cover provided:</p> <ul style="list-style-type: none">• your vehicle was being driven by you or any authorised driver; and• as a direct and sole result of the event, the driver:<ul style="list-style-type: none">– permanently and totally loses sight in one or both eyes; or– permanently and totally loses the use of one or both hands or feet.	<p>We will not pay:</p> <ul style="list-style-type: none">• any claim if the permanent and total loss happens:<ul style="list-style-type: none">– 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 – Death of driver of Part 1 of this Policy Section.

What we cover**What we exclude (cont.)**

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.

5. Emergency repairs

What we cover**What we exclude**

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.

What we cover**What we exclude (cont.)**

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**What we exclude**

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 **you** 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.

What we exclude

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.

What we exclude

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.

What we exclude

10. Towing and storage

What we cover

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::

- **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.

We will also pay the reasonable cost of storing **your vehicle**.

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

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.

What we exclude

We do not cover:

- 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

We will cover:

- 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,

if **your vehicle** is stolen and either not found or is found but is not drivable.

We will cover this cost for up to thirty (30) days. This cover stops before the thirty (30) day limit if and when:

- **your vehicle** is returned undamaged;
- **we** repair **your vehicle** and return it to **you**; or
- **we** settle **your** claim.

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

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. .

The most **we** will pay under this Extra Cover for any one (1) **event** is \$3,000.

What we exclude

We will not pay:

- 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.

What we cover

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

What we exclude (cont.)

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 160 to 164, the General Exclusions on pages 30 to 34 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.

What we exclude

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

What we exclude

What we cover

What we exclude (cont.)

- **you** 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 144.

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 29 to 30 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 of this Policy Section on page 144.

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 113.

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 schedule** 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 113.

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 164 to 166 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 repair 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 pages 167 to 168 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 18 to 22.

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 it would not be safe or economical to carry out the rectification work required, **we** will declare the **vehicle** a **total loss** and pay **you** an amount under (A) – ‘Market value or insured amount’ or (B) – ‘Agreed value’ (see pages 135 and 136), whichever applies to **your vehicle**.

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 168 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%
2nd Year	25%	45%
3rd Year	45%	55%
4th Year	55%	65%
Subsequent Years	65%	65%

For all other **vehicles**:

Year	Existing bonus	Renewal bonus
1st Year	0%	20%
2nd Year	20%	30%
3rd Year	30%	40%
4th Year	40%	50%
Subsequent Years	50%	50%

Protected No Claim Bonus

If **you** are entitled to a maximum No claim bonus of 65% for 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 156) 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 156 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 160 to 164;
- It is not excluded by the General Exclusions on pages 30 to 34; and
- It is not excluded by any **endorsement**.

Insuring Clause – What we cover

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:

- (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**.

What we exclude

We will not cover any liability:

- 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**;
- 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;

Insuring Clause – What we cover

What we exclude (cont.)

- 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.

Insuring Clause – What we cover

What we exclude (cont.)

- for **damage to property** resulting from an **event** arising out of the use of **your vehicle** while it is digging, excavating, boring or drilling. However, **we** will pay if **your vehicle** is being used for the sole purpose of travelling to or from any work site or transporting or carting goods at the time of the **event** and is not being used at the time of the **event** for any other purpose including any specific activity for which the **vehicle** was designed.
- to pay fines or punitive, exemplary or aggravated damages;
- arising directly or indirectly from:
 - the transportation, distribution, and/or storage of asbestos; or
 - any material containing asbestos or any process of decontamination, treatment or control of asbestos.

For the avoidance of doubt, the above asbestos exclusions only apply to **personal injury** arising in consequence of inhalation or physical exposure to any type of asbestos fibre or its derivative, and to **loss** or **damage to property** due to the presence of asbestos.

- for **personal injury** or **loss** of, or **damage to property**, arising directly or indirectly out of the actual, alleged or threatened discharge, seepage, dispersal, migration, release or escape of **contaminants or pollutants**:

Insuring Clause – What we cover

What we exclude (cont.)

- 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 provide the following Additional Benefits, subject to the **policy** terms and conditions, the General Exclusions on pages 30 to 34, the exclusions in Part 1 and Part 2, and any **endorsement**. The **event** giving rise to the **legal liability** must not have been 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 of this Policy Section and specified under 'Limits to what we pay' on page 154 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 **we** agree; 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).

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**).

What we cover**What we exclude (cont.)**

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.

2. Emergency services

What we cover**What we exclude**

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 by **us** under this Additional Benefit.

6. Legal liability for caravans and trailers

What we cover

You are covered for **your legal liability** as a result of :

- the actions of a caravan or trailer while it is being towed by **your vehicle**;
- a caravan or trailer running out of control after separating from **your vehicle** while **your vehicle** is moving; or
- another vehicle colliding or acting to avoid a collision with:
 - property falling off a caravan or trailer while it is being towed by **your vehicle**; or
 - property being loaded or unloaded from a caravan or trailer attached to **your vehicle**,

which occurs during the **period of insurance** in Australia or its external territories.

Excess

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

What we exclude

We do not cover **loss** or **damage** to:

- the caravan or trailer unless it is a **vehicle** insured under Part 1 of this Policy Section; or
- the property which is loaded or unloaded from or which falls from the caravan or the trailer.

We do not cover the cost to remove the trailer or caravan debris, unless the caravan or trailer is an insured **vehicle** and the claim for **loss** or **damage** to the caravan or trailer is covered under Part 1 of this Policy Section.

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 169 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 Insurances 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 30 to 34, 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 types 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.

What we exclude

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.

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.

What we cover (cont.)

What we exclude (cont.)

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.

3. Protected No Claim Bonus

What we cover

Where a **penalty claim** would affect **your** No claim bonus, it will not be affected for a **vehicle** provided that **you** have not made a previous **penalty claim** for an **event** occurring in the **period of insurance** for that same **vehicle**.

What we exclude

This Optional Insurance does not apply:

- 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

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**.

What we exclude

We will not pay if **your vehicle** and the vehicle being towed, retrieved or carried are being operated contrary to any law or regulation relating to the use of a tow truck.

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 158 to 160. **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**:

- (a) **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;
- (b) the **excess** can be deducted from the amount **we** pay **you** for **your** claim (if any);
- (c) 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
- (d) 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/car-port 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 **your** 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 or involving any actual or threatened use, existence or release of biological, bacterial, infectious, 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 by **you** for illegal purposes;
 - 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 **your** 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. We normally decide a vehicle is a total loss if the complete repair cost exceeds the market value less salvage value).

How much we pay		Further information
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, predelivery. **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).
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.
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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).
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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 113) – 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**; and
- an additional **vehicle** as defined in 'Cover for additional vehicles' on page 113.

The following accessories will also be insured if they are attached to or are in or on **your vehicle**:

- baby capsule/car seat
- bonnet protector
- built in refrigerator
- bull bar
- CB and/or 2 way radio
- dash mats
- decorative wheel trims
- driving lights
- fire extinguishers
- fixed GPS units
- 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

- fixed roof/ladder racks
- floor mats
- headlamp guards
- mud flaps
- paint protection
- panel/rust protection
- pin striping
- steering locks
- tarpaulins
- tools supplied as standard by the manufacturer or similar replacement
- tow bars
- tool boxes
- weather shield
- winch.

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**.

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

This insurance is issued by:

AAI Limited

ABN 48 005 297 807 trading as AAMI Business Insurance

AFSL No. 230859

