

# Business

Insurance policy



\*See inside front cover



\* Steadfast Group Limited (**Steadfast**) is a public company. It includes a large network of insurance brokerages who operate in Australia as Steadfast brokers. This policy is available exclusively to You through a Steadfast broker. Steadfast does not issue, guarantee or underwrite this policy.

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## About this booklet

**This booklet contains 2 separate sections:**

### General Information

This part of the booklet contains information You need to know before You take out a Policy. Please read it carefully before taking out this insurance.

### Policy Terms and Conditions

The Policy part of this booklet contains the Policy Terms and Conditions, which detail all the terms, conditions and exclusions relating to the Policy. It forms part of Your legal contract with us.

If we issue You with an insurance Policy, You will be given a Policy Schedule. The Policy Schedule sets out the specific terms applicable to Your cover and should be read together with the Policy Terms and Conditions.

The Policy Terms and Conditions and the Policy Schedule we send to You form Your legal contract with us so please keep them in a safe place for future reference.

If You require further information about this product, please contact Your Steadfast broker.

## About CGU

CGU Insurance Limited is the underwriter of this insurance policy. Our Australian Business Number is 27 004 478 371. Our Australian Financial Services Licence Number is 238291.

CGU Insurance Limited pays remuneration to insurance intermediaries when We issue, renew or vary a policy the intermediary has arranged or referred to Us. The type and amount of remuneration varies and may include commission and other payments. If you require more information about remuneration We may pay your intermediary, you should ask your intermediary.

## About Steadfast

Steadfast Group Limited (**Steadfast**) is a public company. It includes a large network of insurance brokerages who operate in Australia as Steadfast brokers. This policy is available exclusively to You through a Steadfast broker. Steadfast does not issue, guarantee or underwrite this policy.

### Important information about Steadfast's advice

Any advice Steadfast gives about this policy does not take into account any of Your particular objectives, financial situation or needs. For this reason, before You act on Steadfast's advice, You should consider the appropriateness of the advice taking into account Your own objectives, financial situation and needs. Before You make any decisions about whether to acquire this policy We recommend You should read this Insurance policy.

## General Information

The information contained in this part is general information only and does not form part of Your contract with Us. The Policy Terms and Conditions in the rest of this booklet contain details of Your contract.

### Important information

This Policy and Your current Policy Schedule are important. Please ensure You read them carefully and keep them in a safe place. The Policy, current Policy Schedule, definitions, defined events, conditions, exclusions, extensions and endorsements are to be read together as one contract. Any word or expression to which a specific meaning has been given under the heading 'Words with special meaning' shall bear that meaning wherever it may appear unless such meaning is not applicable to the context in which that word or expression appears.

This Policy makes provision for payment of Goods and Services Tax by You in relation to premiums and by Us in relation to claims.

If You have any questions regarding the Policy, please contact Your insurance broker.

Plans, documents, reports, contracts, receipts, manuals and serial numbers relating to Your property should be kept. If a claim occurs the documents may be required by Us and they will assist You completing Your claim form.

# Duty of Disclosure

## What You must tell Us

Before you enter into a contract of general insurance with an insurer, you have a duty, under the Insurance Contracts Act 1984, to disclose to the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to the insurer before you renew, extend, vary or reinstate a contract of general insurance. Your duty however does not require disclosure of matter:

- ◆ that diminishes the risk to be undertaken by the insurer;
- ◆ that is of common knowledge;
- ◆ that your insurer knows or, in the ordinary course of its business, ought to know;
- ◆ as to which compliance with your duty is waived by the insurer.

## Non-disclosure

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce its liability under the contract in respect of a claim or may cancel the contract.

If your non-disclosure is fraudulent, the insurer may also have the option of avoiding the contract from its beginning.

## How CGU protects your privacy

We use information provided by our customers to allow us to offer our products and services. This means we may need to collect your personal information, and sometimes sensitive information about you as well (for example, health information for travel insurance). We will collect this information directly from you where possible, but there may be occasions when we collect this information from someone else.

CGU will only use your information for the purposes for which it was collected, other related purposes and as permitted or required by law. You may choose not to give us your information, but this may affect our ability to provide you with insurance cover.

We may share this information with companies within our group, government and law enforcement bodies if required by law and others who provide services to us or on our behalf, some of which may be located outside of Australia.

For more details on how we collect, store, use and disclose your information, please read our Privacy Policy located at [www.cgu.com.au/privacy](http://www.cgu.com.au/privacy).

Alternatively, contact us at [privacy@cgu.com.au](mailto:privacy@cgu.com.au) or 13 15 32 and we will send you a copy.

We recommend that you obtain a copy of this Policy and read it carefully. By applying for, using or renewing any of our products or services, or providing us with your information, you agree to this information being collected, held, used and disclosed as set out in this Policy.

Our Privacy Policy also contains information about how you can access and seek correction of your information, complain about a breach of the privacy law, and how we will deal with your complaint.

## The General Insurance Code of Practice

CGU Insurance proudly supports the General Insurance Code of Practice. The purpose of the Code is to raise standards of practice and service in the general insurance industry. The objectives of the Code are:

- ◆ to promote better, more informed relations between insurers and their customers;
- ◆ to improve consumer confidence in the general insurance industry;
- ◆ to provide better mechanisms for the resolution of complaints and disputes between insurers and their customers; and
- ◆ to commit insurers and the professionals they rely upon to higher standards of customer service.

Brochures on the Code are available from your nearest CGU office.

## Dispute resolution

We have adopted and support the Code and are committed to complying with it.

Please contact us if you would like more information about the Code.

## How to resolve a complaint or dispute

### 1. Talk to us first

If you have a complaint, the first thing you or your insurance adviser should do is speak to one of our staff. If your complaint relates specifically to a claim, speak with the claims officer managing your claim.

If the staff member or claims officer are unable to resolve the matter for you, you or your insurance adviser may speak to a manager. The manager will usually provide you with a response to your complaint within 15 days. If the timeframe is impractical for any reason such as the need for more information or further investigation, they will discuss with you alternative timeframes. If you are not satisfied with our response or we cannot agree with you on alternative timeframes, you can go to step 2.

## 2. Seek a review

If the matter is still not resolved the manager will refer you or your insurance adviser to the relevant dispute handling department or area who will conduct a review of your dispute and will usually provide you with a response to your dispute within 15 business days. If the timeframe is impractical, we will discuss with you alternative timeframes.

If you are still not satisfied with our response to your dispute or we cannot agree on alternative timeframes, you can go to step 3.

## 3. Seek an external review

You are entitled to seek an external review of our decision. We will provide you with information about options available to you, including, if appropriate, referring you to the external dispute resolution scheme administered by the Financial Ombudsman Service Limited (FOS).

You will not be able to have your dispute resolved by the FOS if you are not eligible under the FOS's Terms of Reference.

Further information about our complaint and dispute resolution procedures is available by contacting us.

## Cooling-off information

If You want to return Your insurance after Your decision to buy it, You may cancel it and receive a full refund. To do this You may notify Your Steadfast broker electronically or in writing within 21 days from the date the Policy commenced.

This cooling-off right does not apply if You have made or are entitled to make a claim. Even after the cooling-off period ends, You still have cancellation rights however Your Steadfast broker may deduct certain amounts from any refund for administration costs or any non-refundable taxes.

If Your Policy is for an event that will start and finish within the 21 day cooling-off period, You can only exercise Your right before the event starts or the expiry of the cooling-off period, whichever is the earlier.

## Interest on unallocated premium

If we are unable to issue your insurance when we receive your application, we are required to hold your Premium in a trust account on your behalf until your insurance can be issued. We will retain any interest payable by our bank to meet, among other things, bank fees and other bank costs we incur in operating the account.

# Policy Terms and Conditions

## Insurer

CGU Insurance Limited is the underwriter of this insurance policy. Our Australian Business Number is 27 004 478 371. Our Australian Financial Services Licence Number is 238291.

## Our agreement with You

We agree to provide You with the insurance cover set out in each of the Policy cover sections that You select and that are listed in the Policy Schedule.

You have paid or agree to pay Us the premium set out in the current Policy Schedule.

The insurance cover is in force for the Period of Cover set out in the Policy Schedule. We will cover You for loss, damage and liability occurring during that Period of Cover, subject to the provisions of the Policy.

We will not pay any more than the sum insured or limit of liability for each cover section which is shown in the Policy or Policy Schedule.

We will not pay the Excesses shown in the Policy or Policy Schedule. If any loss or damage leads to a claim under more than one cover section of this Policy, You must pay the highest applicable Excess, but You need to pay only one Excess.

## Your Policy

Your Policy consists of the Policy Terms and Conditions in this booklet and the Policy Schedule We give You.

Please read Your Policy carefully, and satisfy Yourself that it provides the cover You require.

If You want more information about any part of Your Policy, please ask Us, or Your Steadfast broker.

The address and telephone number of Your CGU branch are on Your Policy Schedule.

You should keep Your Policy Wording and Policy Schedule together in a safe and convenient place for future reference.

## Paying Your premium

You must pay Your annual premium by the due date. If We do not receive Your premium by this date or Your payment is dishonoured this Policy will not operate and there will be no cover.

If you are paying the premium to Us by instalments:

- (a) and an instalment is overdue for a period of fourteen (14) days or longer, any claim arising from an event occurring after the due date of the instalment may be refused;

- (b) and an instalment is overdue for a period of one month or longer, We may cancel the Policy without notice;
- (c) all outstanding instalments will be deducted from any total loss settlement.

## Preventing Our right of recovery

If You have agreed not to seek compensation from another person who is liable to compensate You for any loss, damage or liability which is covered by this Policy, We will not cover You under this Policy for that loss, damage or liability.

## Underinsurance

The following sections of the Policy:

1. Business Property cover
2. Business Interruption cover

contain underinsurance provisions which require You to insure for full value. If You do not, We may pay You a lower amount after taking into account the proportion of Underinsurance or You may be required to pay a portion of the loss Yourself.

## Words with special meaning

Some words have special meaning wherever they appear in the Policy:

<b>Aircraft</b>	any craft or object designed to travel through air or space, other than model Aircraft.
<b>Business Hours</b>	when You or any of Your employees are at the Business Premises for the purpose of conducting Your Business.
<b>Business Premises</b>	the buildings, outbuildings, yards and land used by You for Your Business at the Situation.
<b>Business Property</b>	buildings, contents, Stock and items listed on the current Policy Schedule and used in Your Business.
<b>Computer virus</b>	An executable program or computer code segment that is self-replicating requires a host program or executable disc segment in which it can be contained and which destroys or alters the host program or other computer code or data causing undesired program or computer system operation.

<b>Excess</b>	the amount, or the loss applicable to a specified period of time, expressed as an Excess on the current Policy Schedule or elsewhere in the Policy. This is the first amount of any loss that You must pay before We pay Your claim.
<b>Family</b>	any member of Your Family who lives permanently with You, including Your partner.
<b>Flood</b>	the inundation of normally dry land by water escaping or released from the normal confines of any natural watercourse or lake (whether or not they have been altered or modified) or from any dam, reservoir or canal.
<b>Hovercraft</b>	any vessel, craft or device 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.
<b>Money</b>	current coin, bank notes, currency notes, cheques, credit card sales vouchers, securities, postal orders, money orders, negotiable and non-negotiable securities and other like documents of value, unused postage and revenue stamps, phone cards and / or stored value cards, public transport tickets, private transport tickets (excluding airline tickets), bridge or highway tokens, car wash tokens, lottery tickets, authorised gift vouchers from external parties, discount vouchers, contents of franking machines and includes cash boxes, alarm bags, or any other portable container used to convey money all belonging to You or for which You are legally responsible or have assumed a responsibility to insure but does not mean any of these in the possession of or carried by, professional money carriers, professional carriers or common carriers.



<b>Period of Cover</b>	the time cover commences to the time cover expires. The dates are shown on the current Policy Schedule. Unless stated otherwise, cover shall expire at 4.00pm local time at the place where You arranged the cover	<b>Subsidiary Company</b>	any company in which You have a controlling interest. For the purpose of this definition the term 'controlling interest' shall mean the beneficial ownership of shares carrying more than 50% of votes capable of being cast at a general meeting of all shareholders of the company.
<b>Policy</b>	Includes this document, the Policy Schedule and any attachment or memoranda affixed and any future documents issues to You which amends the policy wording or Policy Schedule	<b>Vehicle</b>	any type of machine on wheels or on self laid tracks made or intended to be propelled by other than manual or animal power, and any trailer or other attachment to be utilised in conjunction with or drawn by any such machine.
<b>Policy Schedule</b>	the most current schedule of Insurance or any future renewal schedule, including any endorsements issued by Us in connection with this Policy.	<b>Watercraft</b>	any vessel, craft or thing made or intended to float on or in or travel through water, other than model boats.
<b>Rewriting of Records</b>	the cost of restoration of computer records, documents, manuscripts, securities, deeds, specifications, plans, drawings, designs, business books and other records of every description.	<b>We, Us, Our</b>	CGU Insurance Limited. Our Australian Business Number is 27 004 478 371. Our Australian Financial Services Licence Number is 238291.
<b>Situation</b>	the Situation stated in the current Policy Schedule.	<b>You</b>	the person(s), companies or firms named on the current Policy Schedule as the 'Insured'.
<b>Stock</b>	<ol style="list-style-type: none"> <li>1. products and material You intend to sell</li> <li>2. raw or consumable materials used by You to make or alter Your products</li> <li>3. Your products while being made, repaired or altered</li> <li>4. any consumable products or materials used in Your Business</li> <li>5. goods for which You are responsible.</li> </ol> <p>Under the Theft cover section, Stock does not include tobacco, products containing tobacco, cigars or cigarettes unless they are specified on the current Policy Schedule.</p>	<b>Your Business</b>	The business as described in the Policy Schedule (and, where applicable, as further described in any more specific underwriting information provided to us at the time when this insurance was negotiated).

## General Policy exclusions applicable to all sections

The following General exclusions apply to all sections of this Policy.

### War, terrorism, radioactivity

This Policy excludes loss, damage, destruction, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

1. War, invasion, acts of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war, conspiracy, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power, or

2. Any act(s) of Terrorism

For the purpose of this exclusion an act of terrorism means an act, which may include but is not limited to an act involving the use of force or violence and/or threat thereof, of any person or group(s) 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 is done for, or in connection with, political, religious, ideological, or ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

In accordance with the Terrorism Act 2003, the above Terrorism Exclusion will not apply in respect of an act deemed by the Federal Treasurer to be a "declared terrorist incident".

Provided that, exclusion 2 will not apply to the following Cover Sections: Theft, Money, Glass and General Property.

3. Confiscation or nationalisation, or requisition or destruction of or damage to property by or under the orders of any government or public or local authority. However, this exclusion will not apply to damage that occurs as a result of such an order if it prevents or attempts to prevent fire or other damage covered by this policy
4. Ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste.
5. Nuclear weapons or nuclear weapons material.

This Policy also excludes any loss, destruction, damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to

by, resulting from or arising out of or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to the above.

### Business in liquidation or ceases to trade

If Your Business is placed into liquidation or administration, a receiver is appointed or Your Business is wound up or is permanently discontinued, then unless otherwise agreed by Us in writing, all cover under this Policy ceases from the time Your interest is transferred or Your Business ceases to trade.

### Geographical limitations

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

### Unoccupancy

Unless We otherwise agree in writing, We will not pay for any loss or damage to Your Business Property if the occurrence happens after Your Business Premises has been unoccupied for more than 90 consecutive days.

### Wilful acts

Subject to the provisions of the Insurance Contracts Act 1984, We will not pay for any loss or damage caused by either Your wilful act or by the wilful act of another party committed with Your knowledge and consent and which You were capable of preventing.

### Known defects

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

### Date recognition

There is no insurance under this Policy in respect of any claim of whatsoever nature which consists of or arises directly or indirectly out of or in connection with the failure or inability of any:

- (a) electronic circuit, microchip, integrated circuit, microprocessor, embedded system, BIOS or other instruction set, hardware, software, firmware, program, computer, data processing equipment, telecommunication equipment or systems, or any similar device, or any
- (b) media or systems used in connection with any of the foregoing

whether Your property or not, at any time to achieve fully and successfully any or all of the purposes and consequential effects intended by the use of any

number, symbol or word to denote, represent or express a date including, but without being limited to, any failure or inability to recognise, capture, save, retain or restore and/or correctly to manipulate, interpret, transmit, return, calculate or process any date, data, information, command, logic or instruction as a result of or in connection with

- (i) anything referred to in (a) or (b) recognising, using or adopting any date, day of the week or period of time, otherwise than as, or other than, the true or correct date, day of the week or period of time, or
- (ii) the operation of any command or logic which has been programmed or incorporated into anything referred to in (a) or (b) above.

This exclusion will not exclude any claim for subsequent loss or destruction of or damage to any Business Property or consequential loss which is solely and directly occasioned by a defined contingency (as defined hereunder), arising under any of the sections listed below, but only to the extent that such claim would otherwise be insured under those sections.

Business Property cover section

Business interruption cover section

Money cover section

Glass cover section

Machinery cover section

Electronic cover section

General Property cover section

This exclusion does not apply in respect of the Theft cover section, if provided by this Policy.

For the purposes of this exclusion only, 'Defined contingency' shall mean fire, lightning, explosion (other than loss or destruction of or damage to boilers and pressure vessels), Aircraft and other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, Flood, escape of water from any tank or apparatus or pipe, impact by any road Vehicle or animal, or theft (other than theft by employees).

### **Electronic Data exclusion**

There is no insurance under this Policy in respect of any claim of whatsoever nature which consists of or arises directly or indirectly out of or in connection with:

- (a) (i) total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data and/or Software;
- (ii) error in creating, amending, entering, deleting or using Electronic Data and/or Software; or

- (iii) total or partial inability or failure to receive, send, access or use Electronic Data and/or Software for any time or at all, from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur.

Electronic Data means facts, concepts and information converted to a form useable for communications, display, distribution, interpretation, or processing by electronic or electromechanical data processing or electronically controlled equipment.

Software means programs, procedures and routines associated with the operation of electronic or electromechanical data processing or electronically controlled equipment, including any operating system.

- (b) However, for all sections of the Policy or policies except those dealing specifically with public liability and/or products liability and/or machinery, in the event that a peril listed below (being a peril insured by this Policy but for this exclusion) is caused by any of the matters described in paragraph (a) above, this Policy, subject to all its provisions, will insure:
  - (i) physical loss of or damage or destruction to property insured directly caused by such listed peril; and/or
  - (ii) consequential loss insured by this Policy.

Further, this exclusion does not apply in the event that a peril listed below (being a peril insured by this Policy but for this exclusion) causes any of the matters described in paragraph (a) above:

fire, lightning, thunderbolt, aircraft or other aerial devices or articles dropped therefrom, earthquake, tsunami, subterranean fire, volcanic eruption, storm, tempest, rainwater, snow, sleet, wind, hail, water, liquids or substances discharged, overflowing or leaking from fixed apparatus, fixed appliances, fixed pipes or other systems, riots, civil commotions, strikes or locked out workers or persons taking part in labour disturbances, explosion, impact by vehicles, animals or trees or branches of trees, communication masts, towers, antennae, satellite dishes, watercraft, meteorites, or theft of Electronic Data and/or Software solely where such theft is accompanied by theft of the computer hardware, firmware, medium, microchip, integrated circuit or similar device containing such Electronic Data and/or Software.

However, this exclusion does not apply to any section of the Policy dealing specifically with glass.

## General Policy conditions

The following General conditions apply to all sections of this Policy.

Breach of a condition or warranty without Your knowledge or consent or error in name, description or Situation of property will not prejudice Your rights under this Policy provided notice in writing is given to Us when such breach or error comes to Your knowledge. Reasonable extra premium shall be paid if required, from the date of such breach or error.

### Accountancy records

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

### Cancelling Your Policy

#### How You may cancel this Policy

- ◆ You may cancel this Policy at any time by telling Us in writing that You want to cancel it. You can do this by giving the notice to Your Steadfast broker.
- ◆ Where 'You' involves more than one person, We will only cancel the Policy when a written agreement to cancel the Policy is received from all persons named as the insured.

#### How We may cancel this Policy

- ◆ We may cancel this Policy in any of the circumstances permitted by law by informing You in writing.
- ◆ We will give You this notice in person or send it to Your address last known to Us.

### The premium

We will refund to You the proportion of the premium for the remaining Period of Cover.

### Designation of property

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

Provided always that this General Policy condition shall not apply to the Theft cover section with respect to tobacco, products containing tobacco, cigars, cigarettes and alcohol.

Furthermore, under the Theft cover section, Stock does not include tobacco, products containing tobacco, cigars, or cigarettes unless they are specified on the current Policy Schedule.

### Premium funders

If the premium has been funded by a premium funding company which holds a legal right over the Policy by virtue of a notice of assignment and irrevocable power of attorney, a refund will be made to the premium funding company of the proportionate part of the premium applicable to the unexpired Period of Cover.

### Excess

If more than one Excess can be applied to one occurrence, then You will only need to pay the highest Excess. Sums insured, limits and sub-limits of liability shall apply in addition to, and shall not be reduced by, the amount of any applicable Excess.

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

The amount of premium payable by You for this Policy includes an amount on account of the GST on the premium.

When We pay a claim, Your GST status will determine the amount We pay.

When You are:

- (a) not registered for GST, the amount We pay is the sum insured/limit of indemnity or the other limits of insurance cover including GST.
- (b) registered for GST, We will pay the sum insured/limit of indemnity or the other limits of insurance and where You are liable to pay an amount for GST in respect of an acquisition relevant to Your claim (such as services to repair a Damaged item insured under the Policy) We will pay for the GST amount.

We will reduce the GST amount We pay for by the amount of any input tax credits to which You are or would be entitled if You made a relevant acquisition. In these circumstances, the Input Tax Credit may be claimable through Your Business Activity Statement (BAS).

You must advise Us of Your correct Australian Business Number and Taxable Percentage.

Any GST liability arising from Your incorrect advice is payable by You.

Where the settlement of Your claim is less than the sum insured/limit of indemnity or the other limits of insurance cover, We will only pay an amount for GST (less Your entitlement for Input Tax Credit) applicable to the settlement. This means that if these amounts are not sufficient to cover Your loss, We will only pay the GST relating to Our settlement of the claim.

We will (where relevant) pay You on Your claim by reference to the GST exclusive amount of any supply

made by any business of Yours which is relevant to Your claim.

GST, Input Tax Credit (ITC), Business Activity Statement (BAS) and Acquisition have the same meaning as given to those expressions in A New Tax System (Goods and Services Tax) Act 1999 and related legislation as amended from time to time.

Taxable Percentage is Your entitlement to an Input Tax Credit on Your premium as a percentage of the total GST on that premium.

## Our maximum liability

Except as otherwise stated elsewhere in this Policy, the maximum amount We will pay will not exceed the amount stated in the Policy Schedule as the sum insured or the limit of liability for those sections selected.

The Sum Insured and sub-limits of liability shall apply in addition to, and shall not be reduced by, the amount of any applicable Excess.

## Inspections

We (or agents appointed by Us) have the right to inspect and examine, by mutual appointment, any Business Property insured.

## Jurisdiction

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

## Other persons or organisations

If any person or entity shall have any interest in the Business Property, We shall protect that interest in the event of a claim, provided that interest is disclosed in Your Business records and You shall have disclosed the nature and extent of that interest to Us at the time of notification of the claim.

Where the separate interests of more than one party in the Business Property are insured under this Policy, any act or neglect of one party will not prejudice the rights of the remaining party or parties provided that the remaining party/ies shall, within a reasonable time after becoming aware of any act or neglect whereby the risk of loss, damage or destruction has increased, give notice in writing to Us and shall on demand pay such reasonable additional premium as We may require.

You cannot transfer the Policy into someone else's name without Our written consent.

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

When a claim is paid under the Policy and is also recoverable under another Policy or policies, You agree to permit Us to seek contribution from the other insurer or insurers.

## Progress payments

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

## Sale of salvage

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

## Reasonable care

You must take reasonable precautions to prevent personal injury or property damage as if You were not covered by this Policy such as:

1. if You discover Your products may be defective and the defect may cause a claim under the Public and Products Liability cover section, at Your expense You must take reasonable steps to restrict, trace, recall, modify, replace or repair the products
2. maintain and look after other person's or organisation's property and buildings used or occupied by You, in accordance with Your agreement with them
3. if Your occupation includes digging below ground at sites away from Your Business Premises You must obtain the location of underground services from the owners of the services
4. use and store all hazardous materials as required by law.

If You do not take reasonable precautions We may refuse to pay part or all of Your claim.

## Reinstatement of sum insured

In the event of damage insured under one or more of the Business Property, Business Interruption, Theft, Money and Glass cover sections of this Policy, the amount by which the sum insured or limit of indemnity is reduced as a consequence of the loss or damage will be automatically reinstated as from the date of loss or damage provided that:

- (a) there is no written request from You or written notice by Us to the contrary;
- (b) the section is an operative section of the Policy; and
- (c) You pay the premium which We require for the reinstatement.

We will not reinstate the sum insured on the Business Property cover or Business Interruption cover sections if We have paid a total loss under either of these sections.

### Single occurrence

We will not pay for loss or damage to property covered by the Policy under more than one section of the Policy in respect of the same item and occurrence unless a relevant sum insured has been paid out in full and You have not been fully covered for the loss or damage.

### Waiver of subrogation rights

We may not be liable to pay any benefits under this Policy for loss, damage or liability if You agree or have agreed to limit or exclude any right of recovery against any third party who would be liable to compensate You with respect to that loss, damage or liability however:

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

### Claim preparation expenses

We will pay for costs necessarily and reasonably incurred for the preparation of a claim for which We agree to indemnify You under this Policy. The most we will pay is \$25,000 in total any one claim, unless a higher amount is included in the particular section of the Policy.

Provided that before You incur these claim preparation costs You obtain Our written approval to incur these costs.

This benefit is in addition to any limit of indemnity.

### Bankruptcy or insolvency

In the event that You should become bankrupt or insolvent, We shall not be relieved thereby of the payment of any claims hereunder because of such bankruptcy or insolvency.

In case of execution against You of any final judgment covered by this Policy being returned 'unsatisfied' by reason of such bankruptcy or insolvency, then an action may be maintained by the injured party or their representative against Us in the same manner, and to the same extent as You but not in excess of the limit of liability

### Non-imputation

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

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

### Rewards

We will pay You up to \$5,000 or any higher amount shown in the current Policy Schedule for the reasonable cost of any reward paid by You to recover any property belonging to You or for which You are responsible that is lost, destroyed or damaged and which is insured under the Business Property, Theft, Money or Glass cover sections of this Policy.

However:

- (a) the terms of the reward must be agreed by Us before it is offered, and
- (b) no such payment shall be made by You unless the value of the property recovered exceeds the reward.

We shall not unreasonably withhold or refuse consent to the terms of any reward payable under this General Policy condition.

## Claims

### What You must do after loss, damage or accident

Protect Yourself from any danger present.

Assist other people within Your capabilities if required.

Take reasonable steps to prevent further loss, damage or liability.

Notify the police immediately if any of Your property is lost, stolen, or maliciously damaged and provide the police with all assistance to apprehend the offending party.

Advise Us of the claim as soon as practicable and then supply Us with full written details by completing Our claim form. You or someone acting on Your behalf must complete a claim form within a reasonable time of an occurrence. If You do not, We may reduce the amount We pay if the delay causes increased costs or prevents Us investigating the claim.

Any invoices, bills, demands letters or notices You receive from other people involved in the loss, damage or accident must be sent to Us as soon as possible.

### What You must not do after a loss or accident

You must not admit fault or agree to pay for damage without Our consent. Do not make an offer, settle, or attempt to settle any claim against You. If You do We may not pay all or part of the claim.

You must not incur any costs or expenses or authorise repairs (other than necessary temporary repairs) without Our agreement.

## Business Property cover section

### Words with special meaning

Some words have special meaning wherever they appear in this section. These words and their meanings are listed below.

#### Buildings

Buildings and structural appurtenances at the Situation.

#### Buildings includes:

1. verandahs, carports, car parks, sealed driveways and paths, shelters, awnings, gangways, staircases and all outbuildings
2. fixtures and fittings owned by the owner of the building
3. underground and above ground services including aprons, supply mains and meters
4. walls, gates, fences, flagpoles, floodlights and signs
5. permanently fixed water and fuel tanks.

#### Buildings does not include:

1. Plant and machinery
2. Stock
3. Contents
4. Property undergoing erection, construction, alteration or addition (including the partial dismantlement of existing structures), where the total contract value of all work to be carried out at any one Business Premises exceeds \$500,000 or 20% of the total sum insured on Buildings and Contents, whichever is the lesser provided that this limit shall apply only to the portion of the Business Premises or Business Property which is the subject of any such work and not to any other portion of the Business Property
5. Land, unsealed driveways and paths, dams, bridges, canals, tunnels, railway tracks and roadways (not at the Situation), wharves, docks and piers

## Contents

This definition of 'Buildings' is subject to the 'Designation of property' General Policy condition.

all property at Your Business Premises, belonging to You or for which You are responsible.

### Contents includes:

1. fixtures, fittings and glass owned by Your landlord which You are legally responsible for and leasehold improvements
2. machinery
3. plant permanently fixed to Your Buildings
4. documents of title and any other documents of aesthetic, historic, scientific or social value for past, present or future generations
5. computer systems records, manuscripts, other documents, deeds, specifications, plans, drawings, designs, business books and other records of every description
6. paintings, works of art and curios
7. Stock
8. goods sold but not delivered and goods held by You on consignment or commission
9. property not owned by You but on Your Business Premises for service, repair, alteration or safe keeping
10. property of Your welfare, sports and social clubs.

### Contents does not include:

1. Buildings
2. growing crops, trees or plants other than pot-plants
3. animals, livestock, fish, birds and any other living organism except laboratory cultures, Stocks of foodstuffs, of nursery plants, or Stocks of a pet shop

### Contents does not include:

4. motor Vehicles or trailers, caravans or motorcycles all while registered or licensed to travel on a public road, provided that this exclusion will not apply to:
  - (i) mobile plant and equipment (excluding cars, sedans, panel vans, and trucks) not otherwise insured;
  - (ii) motor Vehicles or trailers, caravans or motorcycles that are Stock in trade of Your Business.
5. Money
6. jewellery, furs, bullion, articles containing gold and silver which are not Stock and which exceed \$10,000 any one item
7. Contents undergoing erection, construction, alteration or addition (including the partial dismantlement of existing structures), where the total contract value of all work to be carried out at any one Business Premises exceeds \$500,000 or 20% of the total sum insured on Buildings and Contents, whichever is the lesser, provided that this limit shall apply only to the portion of the Business Premises or Business Property which is the subject of any such work and not to any other portion of the Business Property
8. land, dams, bridges, canals, roadways, tunnels, railway tracks (not at the Situation), wharves, docks and piers
9. Watercraft, Aircraft or any accessories, equipment or spare parts whilst contained in or on these items unless they are Stock and are on Your Business Premises at the time of any loss or damage.

This definition of 'Contents' is subject to the 'Designation of property' General Policy condition.



**Market Value** the estimated amount for which the Business Property should exchange immediately before the damage, between a willing buyer and a willing seller in an arms-length transaction, after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion.

## Types of cover

The scope of cover provided is explained in the clauses 'Defined events cover' and 'Accidental damage cover'.

## How We will pay Your claim

There are two methods of paying Your claims. They are 'reinstatement or replacement value' and 'indemnity value'.

The claim payment method You are covered for is shown on the current Policy Schedule.

## Method of settlement – reinstatement or replacement value

We will pay the cost of rebuilding, replacing or repairing any damaged part of Your Business Property to the same condition as when they were new or, where appropriate, in accordance with the 'Output replacement' clause set out below.

Business Property may be rebuilt or erected at another location and in a manner suitable to You provided You pay any additional costs to build or erect elsewhere.

If the Business Property is lost or damaged You must commence to rebuild, replace or repair within a reasonable time of the loss or damage, after Our consent has been obtained. If You do not, We will pay no more than the cost that would have been incurred if the work of rebuilding, replacement or reinstatement has been commenced and carried out with reasonable dispatch.

## Extra cost of reinstatement

(Applicable to Buildings, machinery and plant).

Where 'Reinstatement or replacement' basis of settlement is shown in the Policy Schedule, this section extends to include the extra cost of reinstatement (including demolition or dismantling) of damaged property insured necessarily incurred to comply with the requirements of any Act of Parliament or Regulation made under an Act or By law or the Regulation of any Municipal or Statutory Authority, subject to the following provisions and subject also to the terms, conditions and sums insured of this section.

Provided that:

- (a) the work of reinstatement, must be commenced and carried out within a reasonable period, failing which We will not pay more than the amount which would have been payable under the Policy if the work of reinstatement had been commenced and carried out with reasonable dispatch;
- (b) the work of reinstatement may be carried out wholly or partially upon any other site, if the requirements of the Act, Regulation or By-law necessitate it, subject to Our liability not being increased;
- (c) where the damage is:
  - (i) more than 50% of the Replacement Cost of Buildings or Contents, Our liability under this clause will be limited to 10% of the Buildings and Contents sums insured shown in the current Policy Schedule, which shall be in addition to the sums insured; or
  - (ii) less than 50% of the Replacement Cost of Buildings or Contents, Our liability under this clause shall be limited to the extra cost necessarily incurred in reinstating the damaged Business Property only, or 10% of the Buildings and Contents sums insured shown in the current Policy Schedule, whichever is the greater;
- (d) the amount recoverable shall not include the additional costs incurred with complying with any such Act, Regulation or By-law or requirement with which You have been required to comply prior to the happening of the damage.

The underinsurance condition of the Business Property Cover section of the Policy will not be applied to the amount payable under this clause.

## Method of settlement – Indemnity

If the basis of settlement is shown in the Policy Schedule as Indemnity, We will pay the cost to repair or replace the insured property less an equitable amount for age, wear, tear, depreciation and will make an adjustment for the general condition and remaining useful life of the individual item or components that are damaged.

We will also pay, in accordance with the 'Extra Cost of Reinstatement' clause, the additional costs required to comply with the requirements of any statutory authority or by-laws, provided you were not required to comply with any of the by laws prior to the loss or damage occurring.

The Underinsurance/average condition in this section is amended to read:

In the event of loss or damage to property We shall be liable for no greater proportion of the loss or damage

than the sum insured at the location bears to eighty percent (80%) of the current value of the property insured, provided that Our liability shall not exceed the sum insured stated against each item in the Policy Schedule.

## Output replacement

Where any Business Property consists of equipment, machinery or plant having a measurable function, capability or output and if it is necessary to replace such property with a new item or items which perform a similar function or functions, then the basis of settlement for such property shall be:

- (a) Where any Business Property is to be replaced with any item or items which have the same or a lesser total function, capability or output, then the basis of settlement is the new installed cost of such replacement item or items as would give the same total function, capability or output as the Business Property.
- (b) Where any Business Property is to be replaced with an item or items which have a greater total function, capability or output and the new installed cost of such replacement property is no greater than the replacement value of that Business Property, then the basis of settlement is the new installed cost of the item or items so replaced.
- (c) Where any Business Property is to be replaced by an item or items which have a greater total function, capability or output and the new installed cost of such replacement property is greater than the replacement value of the Business Property, then the basis of settlement is the lesser of the reinstatement value or that proportion of the new installed cost of the replacement item or items which the output of the Business Property damaged bears to the output of the replacement item or items. If the reinstatement value of the damaged Business Property is not ascertainable then the basis of settlement is the new installed cost of the replacement item or items.

## Rent lost or payable

We will pay:

- (a) the Rent lost by You for such period as the Buildings (or proportionally in the case of any part thereof) are untenable; or
- (b) where the whole or any part of the Buildings are occupied by You, the Rent payable by You at reasonable market value for such period as the Buildings (or proportionally in the case of any part thereof) are untenable,

less the amount of any charges saved in relation to maintaining the Buildings in a tenable condition (such as wages of caretaker, cost of power, lighting).

The period for which We will pay You for Rent lost or payable will not exceed the number of months shown in the Schedule.

This is subject to the following conditions:

- (1) due diligence is used in the repair or reconstruction of the Buildings.
- (2) if, due to any cause, repair or reconstruction of the Buildings is delayed, the amount payable will be determined by the time that would have sufficed for the purpose, had due diligence been used.

## Floor space ratio index (Plot ratio)

Where Buildings are damaged and the cost of reinstatement is more than 50% of the cost of reinstatement if the Buildings had been totally destroyed and reinstatement of such damage is limited or restricted by:

- (a) any Act of Parliament or regulation thereunder, or
- (b) any by-law or regulation of any municipal or other statutory authority

resulting in either case in the reduction of the floor space ratio index (plot ratio) of the site, then We shall pay in addition to the amount payable on reinstatement of such Buildings the difference between:

- (i) the actual costs incurred in reinstatement subject to the reduced floor space ratio index (plot ratio), and
- (ii) the estimated cost of reinstatement at the time of damage had the reduced floor space ratio index (plot ratio) not applied.

Provided that Our total liability for reinstatement or replacement value, additional costs of compliance and under this 'Floor Space Ratio Index (Plot Ratio)' clause shall not exceed the sum insured in respect of the Buildings which are the subject of the claim.

## Branded goods

In the event of a claim, any salvage of branded goods or merchandise owned by You or held by You in trust or on commission and any goods sold but not delivered shall not be disposed of by sale without Your consent. If such salvage is not disposed of by sale, then the basis of settlement of the claim shall be the Market Value of the goods after brands, labels or names have been removed by You or on Your behalf.

## What You are covered for

We will cover You for loss or damage caused by the events listed under 'Defined Events Cover' and

'Accidental Damage Cover' to Your Business Property which occurs during the Period of Cover.

The current Policy Schedule shows what You have covered and the method of settlement.

## Defined events cover

We cover You for loss or damage at the Business Premises caused by the following defined events:

1. Bursting, leaking, discharging or overflowing of fixed apparatus, fixed tanks, fixed appliances, fixed pipes or other systems used to hold or carry liquid (including the reasonable cost of identifying and locating the cause of damage) but We will not cover the repair or replacement of such apparatus, appliances, tanks, pipes or other systems which give rise to the damage.
2. Earthquake, volcanic eruption, subterranean fire or tsunami.

We will not pay for the first \$20,000 or 1% of the sum insured at the damaged Business Premises (whichever is the lower amount) of each claim caused by earthquake, volcanic eruption, subterranean fire or tsunami.

You only have to pay one Excess if further damage occurs within 72 hours of an occurrence.

3. Fire, lightning or explosion.
4. Impact by:
  - (a) a Vehicle designed primarily for use on land.
  - (b) an animal
  - (c) trees or branches of trees. This cover includes the reasonable costs associated with the removal and disposal of the tree or branches, which caused the damage.
  - (d) communication masts, towers, antennae or satellite dishes.
  - (e) Aircraft or Watercraft
  - (f) meteorites or debris from an Aircraft, rocket or satellite.
  - (g) a falling building or other structure or part thereof.
5. Malicious damage, including damage by burglars or thieves, other than damage caused by You or anyone who permanently or temporarily lives with You.
6. Riots, civil commotions, strikes or locked out workers or persons taking part in labour disturbances including resultant acts of any lawfully constituted authority.
7. Storm, tempest, rainwater, snow, sleet, wind, hail but not:
  - (a) by water from or action of the sea, tidal wave, storm surge, high water or Flood.

- (b) to gates, fences, retaining walls, shade cloth, exterior textile awnings or blinds which exceeds \$25,000 in respect of any one occurrence for loss or damage.
  - (c) to property in the open air unless such property is a permanent structure designed to function without the protection of walls or roof.
  - (d) erosion, subsidence, landslide, collapse or any other movement of earth.
  - (e) caused by water entering the Buildings through an opening in the wall or roof made for the purpose of alterations, additions, renovations, or repairs.
8. Escape of molten material from its intended confines on or about the Business Premises but excluding:
    - (a) the cost of repairing any fault which permitted such escape,
    - (b) the cost of retrieving or removing escaped material from any escape channel or catchment area designed for the purpose,
    - (c) loss of or damage to such escaped material,
    - (d) loss or destruction of or damage to furnace linings, crucibles, moulds, other containers or ladles from which molten material escapes.

## Accidental damage cover

We will cover You for accidental loss or damage to Your Business Property at the Business Premises other than the events or items listed in 'What You are not covered for under Accidental damage cover'.

The maximum amount We will pay for accidental damage cover for any occurrence is the lesser of \$250,000 or the total sum insured for Buildings and Contents unless a higher amount is specified in the current Policy Schedule as the accidental damage sum insured.

## What You are not covered for under Accidental damage cover

We will not pay for claims under 'Accidental damage cover' for:

1. loss or damage caused by any defined events cover in this section
2. loss or damage caused by events or to the items listed under general exclusions
3. loss or damage insurable under any other section or sections of this Policy
4. Business Property to the extent insurable under the General Property cover section

5. for damage which occurs as a result of Your failure to repair or prevent bursting, leaking, discharging or overflowing of fixed apparatus, fixed tanks or fixed pipes used to hold or carry liquid within a reasonable amount of time of discovering an occurrence
6. unexplained disappearance or unexplained inventory shortage, whether resulting from clerical or accounting errors or shortages in supply or delivery of materials to or by You
7. loss or damage caused by demolition, other than demolition by or ordered by a public authority, if the value of the demolition work exceeds \$500,000 or 20% of the total sum insured on Buildings and Contents, whichever is the lesser
8. pollution or contamination of Business Property unless caused by a defined event
9. theft, except where the Business Premises 'Buildings' insured by the owner under this Policy section are tenanted under a lease agreement by another party, person or entity not named in the Policy, in which case, the insured owner will be entitled to be indemnified against loss by theft of their Business Property (as defined in this section for 'Buildings') at the Business Premises in accord with the terms and conditions of the 'Theft cover section' of this Policy regardless of whether it is selected in this Policy or otherwise. The maximum We will pay in respect to any loss under this additional protection provided under this Business Property Cover section in relation to theft shall be limited to \$20,000 in total any one occurrence happening during the currency of the Policy
10. loss or damage following breakage of external glass to signwriting or ornamentation affixed to the glass, except where you are a tenant of a building and not required by lease to insure Glass.

## Additional benefits – Business Property cover

The following additional benefits are provided if You have selected the Business Property cover section:

### Capital Additions

We cover additions to Your Buildings, Contents, and specified items obtained or built during the Period of Cover to an amount not exceeding 20% of the total sum insured on Buildings, Contents and specified items or \$500,000 whichever is the lesser, in respect of property insured at any one Situation. This additional benefit is in addition to Your sum insured.

### Catastrophe Escalation Cost

If:

- (a) any of Your Buildings are destroyed or damaged by any event insured against by this cover section, and
- (b) we classify such destruction or damage as a total loss; and
- (c) the event giving rise to the destruction or damage has resulted in any competent authority declaring a state of emergency affecting the area in which Your Building is situated;

we will:

- (d) increase the sum insured applicable to such Buildings under this cover section by up to 20% provided that Your Building is rebuilt, and
- (e) increase the amounts payable under the 'Capital Additions' (relating to Buildings only) and 'Temporary protection and security guards' Additional benefits of this cover section by 20%;

to cover any Increase in building costs for labour and materials and any other additional costs which may apply after the event.

Provided that:

- (i) We shall not pay more than the increased building costs which are actually incurred by You.
- (ii) We will not pay any amount under this Additional benefit until You have incurred costs exceeding the sum insured applicable to such Building under this cover section.

Increase in building costs means the difference between the cost of reinstatement actually incurred in accordance with the Basis of Settlement provisions of this cover section and the cost of reinstatement that would have applied had the event not occurred.

### Directors and Employees personal property

Personal property of directors and employees of Your Business if the person to whom the personal effects belong is not named as an insured.

Cover is limited to \$5,000 for any one employee or director. This additional benefit provides cover to You. It does not provide any insurance cover to any director or employee.

### Discharge of mortgages

If Business Property has been damaged and the damage is covered by the Business Property cover section, where the sum insured is not otherwise exhausted, We will pay up to the balance of the sum Insured, for the reasonable legal costs to discharge a mortgage or mortgages on Buildings or Contents following settlement of a claim on the basis of a total loss whether actual or constructive.

Where the sum insured is exhausted, in respect of the discharge of a mortgage on Buildings only, We will pay up to an additional ten percent (10%) of the total sum insured on Buildings, for the reasonable legal costs to discharge a mortgage or mortgages following settlement of a claim on the basis of a total loss whether actual or constructive.

#### **Fire Brigade attendance fees**

We will pay up to \$50,000 for any statutory charges payable by You to a fire brigade or firefighting authority for attendance at a fire or chemical emergency involving insured property. This additional benefit is in addition to Your sum insured.

#### **Government fees**

We will pay any fee, contribution or other impost payable to any other Government, Local Government or other Statutory Authority where payment of the fee, contribution or impost is necessary to the obtaining of consent to reinstate any property insured provided that We will not be liable for payment of any fines and/or penalties imposed upon You by any such authorities.

The cost of government fees is included in the sum insured for Business Property. If the sum insured for Business Property is otherwise exhausted the most We will pay under this Additional Benefit for any one event is \$10,000.

#### **Landscaping**

Loss, damage or destruction by the defined events (other than storm, tempest or rainwater) to growing plants, shrubs, garden plots and lawns (including rock work, retaining walls, ornamentation and edging pertaining thereto) and resultant expenses necessarily incurred in cleaning, clearing and/or repairing drains, gutters, sewers and the like, all contained in or on or forming part of or implicitly pertaining to the Buildings insured, up to but not exceeding \$50,000 or 20% of the sum insured at the Business Premises specified in the Policy Schedule in respect of any one loss. This additional benefit is included in the sum insured of the Buildings covered by this section.

#### **Limited transit**

Business Property is covered, up to the lesser of \$50,000 or twenty percent 20% of the sum insured for Contents including Stock, if it is in transit in or on any Vehicle owned or operated by You anywhere in Australia away from Your Business Premises, including storage during the transit, but only for damage caused by fire or explosion, wind or earthquake, acts of malicious persons or by collision or overturning of the conveying Vehicle.

#### **Loss of land value**

Up to \$100,000 for the reduction in land value, which shall be the value certified by the Valuer General or other competent person or authority selected by Us, that results from the requirements of any statutory authority that does not allow rebuilding (or only partial rebuilding) at the Business Premises following loss or damage covered by this section.

Provided that:

- (a) this shall be calculated by subtracting the land value after rebuilding or after We have agreed that rebuilding is not possible, from the land value before the damage, and
- (b) We will not pay more than 20% of the sum insured for Buildings at the Situation where the damage happened.

The underinsurance condition does not apply to this additional benefit, which is in addition to the sum insured.

#### **New premises – temporary cover**

We will temporarily extend cover provided by this section to property at any new Situation first occupied by You during the Period of Cover provided that:

- (a) this temporary cover period is limited to the lesser of;
  - (i) 60 days from the date You acquire or commence using the premises, or
  - (ii) the expiry date of the current Period of Cover, or
  - (iii) the date on which the property ceases to belong to You
- (b) the property is used for the business described in the Policy Schedule
- (c) the property is of similar type to that already insured under this cover section
- (d) the new premises comprise Buildings of similar construction, fire and burglary protection as featured in any premises currently described in the Policy Schedule
- (e) You must provide to Us full details of the new premises within 60 days of the commencement of this temporary cover. If We agree to continue the cover You must pay any additional premium that We may require.

The maximum We will pay for this additional benefit is 50% of the highest sum insured shown on the Policy Schedule for each item of property.

#### **Playing surfaces**

We will pay, up to the greater of \$50,000 or the amount shown in the current Policy Schedule for

playing surfaces, for the cost of repairing damage to outdoor playing surfaces at the Situation, caused by:

- (a) vandals or malicious persons, other than You or Your guests, director's partners, officers, employees or members, or their guests
- (b) fire occurring to insured property at the Situation for which We have admitted liability under this section, or
- (c) the action of the fire fighting services, police or other emergency services in attending to their duties at the Situation.

This additional benefit is in addition to the sum insured.

### **Prevention of imminent damage**

We will pay up to \$50,000 for necessary costs You incur to extinguish a fire on or in the vicinity of Your Business Premises which causes or threatens property damage or for necessary costs to prevent or diminish imminent damage to Your property by any other insured peril.

We will not pay under this additional benefit for:

1. any fines, penalties or liability incurred by You
2. any loss or damage to Your property.

This additional benefit is in addition to Your sum insured.

### **Professional fees**

If Business Property has been damaged and the damage is covered by the Business Property cover section, We will pay the reasonable professional fees incurred to rebuild or repair Your Buildings and Contents.

The cost of professional fees and legal costs are included in the sum insured of the property lost or damaged.

### **Removal of debris**

If Business Property has been damaged or destroyed and is covered by the Business Property cover section, We will pay the reasonable costs incurred for the demolition, dismantling, necessary temporary repairs, cleaning up and/or removal, storage and disposal of debris from the Business Premises. We will also pay for Your legal liability for the cost of removal of debris from adjoining premises, property, services, roadways and waterways as well as on the site. We will pay You up to \$50,000 or 20% of the total sum insured on Building and Contents shown on the Policy Schedule for the damaged premises whichever is the lesser (in addition to the sum insured) or the higher amount shown in the current Policy Schedule for removal of debris or if this is insufficient and You have not exhausted Your sum insured on the damaged items requiring demolition and/or removal of debris, We will pay up to the remaining balance of the sum insured.

### **Rewriting of Records**

We will pay You, in addition to Your sum insured, up to \$25,000 or any higher amount shown in the current Policy Schedule for Rewriting of Records, for clerical and professional costs incurred by You to re-write Your necessary business records if they are lost, destroyed or damaged, whilst located at Your Business Premises or offsite anywhere in the Commonwealth of Australia, by an occurrence and which You are covered for in the Business Property cover section. We will not pay You for any financial loss caused by the loss of Your records under this additional benefit

### **Seasonal increase in Stock**

If You have insured Stock as a separate item to Your Contents, the sum insured on Stock is increased by 50% for:

1. (a) eight (8) weeks prior to and including Christmas Day;  
(b) three (3) weeks after and including 26 December;
2. (a) six (6) weeks prior to and including Easter Tuesday;  
(b) one (1) week after but not including Easter Tuesday.
3. (a) six (6) weeks prior to and including any celebrated event of a festive, religious or ethnic nature (other than Christmas or Easter) where You can reasonably demonstrate that the Stock levels during that period have risen by more than 20% above standard levels and that the increase has happened solely for the purpose of meeting additional customer demand associated with the happening of that festive, religious or ethnic event or celebration, and  
(b) one (1) week after the same festive, religious or ethnic event or celebration.
4. Any other period shown on the current Policy Schedule, in lieu of the covers in 1-3 above.

Provided you can demonstrate that the stock levels during such period has risen by more than 20% above standard levels and that the increase has happened solely for the purpose of meeting additional customer demand associated with such period.

If your sum insured for stock is included in another item on the current Policy Schedule we will only apply the increase to the portion of the sum insured which relates to stock.

### **Temporary protection and security guards**

If Business Property has been lost or damaged and is covered by the Business Property cover section, We will pay for the cost of temporary protection, including

employment of security guards, to safeguard the property insured:

- (a) where the sum insured is not otherwise exhausted, We will pay the reasonable costs and expenses reasonably incurred; and
- (b) when the sum insured becomes exhausted, We will pay an additional amount of up to \$25,000, pending repair or replacement, consequent upon damage for which a claim is payable.

If an occurrence results in a claim being paid under this cover section and another cover section of the Policy, the highest single limit under the relevant cover section applies. The benefit of Temporary Protection and Security Guards shall not be cumulative under this Policy.

### **Temporary removal**

We also cover Your insured Business Property while temporarily removed to any other premises within the Commonwealth of Australia.

Provided that:

- (a) We will not cover motor Vehicles or trailers, Watercraft, caravans or motorcycles unless they are:
  - (i) Stock in trade of Your Business; or
  - (ii) forklift trucks or similar appliances that are normally used for hauling or lifting goods at Your Business Premises.
- (b) We will not cover Stock in trade that is on consignment to other parties unless it is owned by You or is property for which You are responsible.
- (c) The maximum amount We will pay for this additional benefit will be 20% of the sum insured.
- (d) This additional benefit will not apply to any property insured, which has been removed for a period greater than 90 days without Our prior written consent.

### **Undamaged foundations**

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

## **Optional extension to the Business Property cover**

### **Flood**

When 'Flood' is shown in the current Policy Schedule, We will cover loss of or damage to Business Property caused by Flood.

### **What You are not covered for under this section**

1. We will not pay for loss or damage under the Business Property cover section caused by:
  - (a) intentional loss or damage caused by Your tenants other than damage caused by fire or explosion
  - (b) (i) birds, insects, mice, rats or other vermin
  - (ii) rust, corrosion, or oxidation
  - (iii) mildew, mould, rotting, disease, contamination, pollutants, or industrial fallout
  - (iv) inherent vice, change of colour, loss of weight, loss of volume, change in flavour, change in texture
  - (v) variation in temperature, variation in humidity, variation in controlled atmosphere
  - (vi) wear, tear, fading or gradual deterioration provided that this Exclusion 1(b) shall not apply to subsequent loss or damage to Your Business Property occasioned by a peril (not otherwise excluded) resulting from any event referred to in this Exclusion.
- (c) (i) vibration, heaving, creeping, shrinking, settling, or expansion of foundations or supports of Business Property
- (ii) erosion, subsidence or earth movement unless caused suddenly by a defined event
- (iii) collapse of Business Property unless caused suddenly by a defined event
- (d) (i) error in, omission of or wrong design
- (ii) faulty materials or faulty workmanship provided that this Exclusion 1(d) shall not apply to subsequent loss or damage to Your Business Property occasioned by a peril (not otherwise excluded) resulting from any event referred to in this Exclusion.
- (e) partial or complete cessation of work, process, operation or activity caused by strikes, labour disputes or locked out workers except as a result of physical loss or damage to the Business Property committed by persons taking part in strikes or labour disputes, or by locked out workers

- (f) incorrect siting of Business Property
- (g) spontaneous combustion, fermentation, heating or any process involving the direct application of heat provided that this Exclusion 1(g) shall be limited to the item or items of Your Business Property immediately affected and shall not extend to other Business Property damaged as a result of such spontaneous combustion, fermentation or heating or process involving the direct application of heat.

(h) Flood

(i) the action of water from the sea, tidal wave or high water

(j) self-explosion of boilers or other pressure vessels.

We do not cover damage to the boiler or pressure vessel where the boiler or pressure vessel:

- (i) is not solely used for domestic purposes, or
- (ii) has a value of more than \$200,000.

However We do cover resultant damage to other Business Property.

2. We will not pay under the Business Property cover section for:

(a) legal liability

any legal liability You incur to pay compensation, damages, fines, or penalties

(b) breakdown

cost to repair or replace Business Property due to:

(i) mechanical, hydraulic, electrical or electronic breakdown, malfunction, breakage or failure unless caused by an insured occurrence

(ii) Computer virus

(iii) access to Your computer systems and records by any person not on Your Business Premises

3. We will not pay for loss or damage under the Business Property cover section arising from demolition ordered by government or public or local authorities due to failure by You or Your agents to obtain the necessary permits.

## Specific conditions applicable to this section

### Tenants Actions

If a tenant of Yours or a tenant of Your landlord (but not You) without Your consent, causes or contributes to any loss or damage covered by this section which

is in breach of any terms or conditions, We will cover You for Your loss or damage as per this section, provided

1. You have taken all reasonable actions, as soon as You become aware of conditions causing the breach, to have the tenant comply with the terms
2. You notify Us within a reasonable amount of time of becoming aware of the breach
3. You agree to pay a reasonable increase in premium for the additional risk.

### Underinsurance/average

For each occurrence under the 'Business Property cover section', We will not be liable for more than that proportion of damage which; in respect of Buildings, Contents, Stock and specified items the sum insured on the total amount for Buildings, Contents, Stock and specified items at the Situation, at the time of the commencement of each Period of Cover bears to eighty percent (80%) of the full insurable value of such Buildings, Contents, Stock and specified items;

Conditions:

1. Our liability is limited to the sum insured at the Situation as shown in the Policy Schedule.
2. This clause will not apply if the amount of any damage does not exceed ten percent (10%) of the sum insured at the Situation.

Example:

Total value \$200,000

80% of value = \$160,000

Sum insured \$144,000

Therefore if a \$100,000 loss occurs, We would pay  $(\$144,000 / \$160,000) \times \$100,000 = \$90,000$

We would pay \$90,000.

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

### Release

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

### Leased building clause

Without prejudicing Your position under this cover section, You may agree to enter into a lease for occupancy of any building or a lease for hiring of property where the terms of the lease include a disclaimer clause in favour of the lessor to the owner.



## Storage premises

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

## Business interruption cover section

There are two Parts available in this section:

- Part A – Insurable Gross Profit basis
- Part B – Weekly Revenue basis

Your Policy Schedule indicates which Part has been selected by You.

## Words with special meaning applicable to this section

Some words have special meaning wherever they appear in this section. These words and their meanings are listed below.

<b>Damage</b>	physical loss, destruction or damage (occurring during the Period of Cover) from the operation of a peril or event insured against under the Business Property cover section, the Theft cover section, the Money cover section, the Glass cover section, Electronic cover section or the General Property cover section of Your Policy.
<b>Indemnity Period</b>	the period beginning with the occurrence of the Damage during which the results of Your Business are affected by the Damage and ending at the expiration of the maximum period specified in the current Policy Schedule or, in the case of Weekly Revenue, ending at the earliest of either the expiration of the maximum period specified in the Policy Schedule or when Weekly Revenue during that period equals or exceeds 95% of Standard Weekly Revenue.
<b>Rent Receivable</b>	the amount of the rent received or receivable (including base rental, Turnover rental and contributions to outgoings) from the letting of property at the Business Premises.

# Part A – Insurable Gross Profit basis

## Words with special meaning for Part A

Some words have special meaning wherever they appear in this Part. These words and their meanings are listed below.

<b>Annual Rent Receivable</b>	the Rent Receivable during the twelve months immediately before the date of the Damage.*
<b>Annual Gross Profit</b>	the Gross Profit earned during the twelve months immediately before the date of the Damage.*
<b>Gross Profit</b>	the total of: <ol style="list-style-type: none"><li>1. the amount paid or payable to You for goods sold and services rendered; and</li><li>2. Rent Receivable; and</li><li>3. all other sources of income received in the course of the Business; and</li><li>4. the amount of closing stock and work in progress at the end of Your financial year;</li></ol> less: <ol style="list-style-type: none"><li>1. purchases of stock and consumables; and</li><li>2. the amount of opening stock and work in progress at the beginning of Your financial year; and</li><li>3. Uninsured Working Expenses.</li></ol>
<b>Initial Period</b>	the period shown in the Schedule which immediately follows the date of the Damage.
<b>Payroll</b>	remuneration (including but not limited to wages, salaries, payroll tax, fringe benefits tax, bonuses, holiday pay, sick pay, workers' compensation insurance premiums, accident compensation levies, superannuation and pension fund contributions and the like) paid to all of Your employees.

<b>Rate of Payroll</b>	the proportion that the Payroll bears to the Gross Profit during the financial year immediately before the date of the occurrence of the Damage.
<b>Remaining Period</b>	the period, shown in the Schedule which immediately follows the Initial Period.
<b>Standard Rent Receivable</b>	the Rent Receivable during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period.*
<b>Standard Gross Profit</b>	the Gross Profit earned during that period during the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period.*
<b>Uninsured Working Expenses</b>	the uninsured working expenses shown in the Schedule.

\* to which such adjustments will be made as may be necessary to provide for the trend of Your Business and for variations in or other circumstances affecting Your Business either before or after the Damage or which would have affected Your Business had the Damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage.

## What You are covered for

In the event of interruption of or interference with Your Business in consequence of Damage to any building or any other property or any part thereof used by You at the Premises for the purpose of Your Business, We will pay You in respect of each item selected by You and shown in the current Policy Schedule, the amount of the loss resulting from such interruption or interference.

Provided that:

- (a) the payment is in accordance with the basis of settlement provision for the item
- (b) We have paid for or admitted liability in respect of such Damage under the relevant section of Your Policy, or another insurer has paid for or admitted liability in respect of such Damage, unless no such payment shall have been made or liability shall not have been admitted for such Damage (by Us or another insurer) solely due to the application of an Excess, and

- (c) Our liability in no case will exceed in respect of each item the sum insured shown in the current Policy Schedule for that item.

**Item 1. Gross Profit**

**Item 2. Additional increase in cost of working**

**Item 3. Accounts receivable**

**Item 4. Claim preparation expenses**

**Item 5. Loss of Rent Receivable**

**Item 6. Payroll.**

## Basis of settlement

**Item 1. Gross Profit**

This item is limited to the loss of Gross Profit and increase in the cost of working.

The amount payable as indemnity under item 1 will be:

- (a) in respect of the loss of Gross Profit:

the amount by which the Gross Profit earned during the Indemnity Period falls short of the Standard Gross Profit, in consequence of the Damage, and

- (b) in respect of the Increase in cost of working: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Gross Profit which, but for the additional expenditure, would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the amount of reduction in Gross Profit thereby avoided,

less any sum saved during the Indemnity Period in respect of such charges and expenses of Your Business payable out of Gross Profit as may cease or be reduced in consequence of the Damage.

Provided that if the sum insured for this item is less than eighty percent (80%) of the Annual Gross Profit (or its proportionately increased multiple where the Indemnity Period exceeds twelve months), the amount payable will be reduced so that We will be liable for no greater proportion of the loss under this item than that which the sum insured bears to eighty percent (80%) of the Annual Gross Profit.

This provision will not apply if Your claim is for less than 10% of the sum insured for this item.

**Item 2. Additional increase in cost of working – see ‘Common Clauses to Parts A and B’.**

**Item 3. Accounts receivable – see ‘Common Clauses to Parts A and B’.**

**Item 4. Claim preparation expenses – see ‘Common Clauses to Parts A and B’.**

**Item 5. Loss of Rent Receivable**

This item is limited to loss of Rent Receivable and additional expenditure.

The amount payable will be:

- (a) in respect of loss of Rent Receivable:

the amount by which the Rent Receivable during the Indemnity Period falls short of the Standard Rent Receivable, in consequence of the Damage, and

- (b) in respect of additional expenditure:

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Rent Receivable which, but for that expenditure, would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the amount of the reduction in Rent Receivable thereby avoided, less any sum saved during the Indemnity Period in respect of such of the expenses and charges payable out of the Rent Receivable as may cease or be reduced in consequence of the Damage.

Provided that if the sum insured for this item is less than 80% of the Annual Rent Receivable (or its proportionately increased multiple where the Indemnity Period exceeds twelve months), the amount payable will be reduced so that we will be liable for no greater proportion of the loss under this item than that which the sum insured bears to 80% of the Annual Rent Receivable. This provision will not apply if Your claim is for less than 10% of the sum insured for this item.

**Item 6. Payroll**

- (a) Loss of Payroll

- (1) During the Initial Period:

The amount produced by applying the Rate of Payroll applied to the amount by which the Gross Profit earned during the Indemnity Period falls short of the Standard Gross Profit, in consequence of the Damage, less any Payroll saved in consequence of the Damage.

- (2) During the Remaining Period:

The amount produced by applying the Rate of Payroll to the amount by which the Gross Profit earned during the Indemnity Period falls short of the Standard Gross Profit, in consequence of the Damage, less any Payroll saved in consequence of the Damage, but not exceeding the amount produced by applying the insured percentage of the Rate of Payroll to the amount by which the Gross Profit earned during the Indemnity Period falls short of the Standard Gross Profit, in consequence of the Damage, plus any Payroll saved in consequence of the Damage during the Initial Period.

(3) Option to Consolidate

At Your option, the Initial Period may be increased to the period shown in the Schedule as the Consolidated Period. This means that the cover for the rest of the Remaining Period will be restricted to the amount of Payroll saved during the Consolidated Period.

(b) Additional Expenditure

The additional expenditure necessarily and reasonably incurred by You for the sole purpose of minimising the loss of Payroll during the Indemnity Period but not exceeding the loss of Payroll thereby avoided.

## Part B – Weekly Revenue basis

### Words with special meaning for Part B

Some words have special meaning wherever they appear in this Part. These words and their meanings are listed below.

<b>Weekly Revenue</b>	the money paid or payable to You each week as a: <ul style="list-style-type: none"><li>• Wholesaler or retailer of goods – for goods sold and delivered in the course of Your Business less the cost of any related purchases (after any discounts).</li><li>• Motel operator – in respect of facilities, accommodation, food and drink made available and services rendered in connection with Your Business, less the cost of any related purchases (after any discounts) and laundering and cleaning expenses.</li><li>• Professional practitioner or consumer services provider – for services rendered and work performed in connection with Your Business.</li><li>• Property owner – by tenants (being Rent Receivable). Standard</li></ul>
<b>Standard Weekly Revenue</b>	the average of the Weekly Revenues in that period during the fifty two (52) weeks immediately before the date of the Damage which corresponds with the Indemnity Period, adjusted as may be necessary for trends, variations in or other circumstances affecting Your Business, so that the adjusted figure will represent as far as possible the weekly results which, but for the Damage, would have been obtained during the relative period after the Damage.

### What You are covered for

In the event of interruption of or interference with Your Business in consequence of Damage to any building or any other property or any part thereof used by You at the Premises for the purpose of Your Business, We will pay You in respect of each item selected by You and shown in the current Policy

Schedule, the amount of the loss resulting from such interruption or interference.

Provided that:

- (a) the payment is in accordance with the basis of settlement provision for the item
- (b) We have paid for or admitted liability in respect of such Damage under the relevant section of Your Policy, or another insurer has paid for or admitted liability in respect of such Damage, unless no such payment shall have been made or liability shall not have been admitted for such Damage (by Us or another insurer) solely due to the application of an Excess, and
- (c) Our liability in no case will exceed in respect of each item the sum insured shown in the current Policy Schedule for that item.

We will not pay any claim under this Part where the interference or interruption to Your Business is for a period of less than three days.

The insurance under this Part provides protection with regard to loss under:

**Item 1.** Weekly Revenue

**Item 2.** Additional increase in cost of working

**Item 3.** Accounts receivable

**Item 4.** Claim preparation expenses

## Basis of settlement

**Item 1.** Weekly Revenue

This item is limited to the loss of Weekly Revenue and the amount payable as compensation under this item will be the amount by which the Weekly Revenue during the Indemnity Period falls short of the Standard Weekly Revenue in consequence of the Damage.

**Item 2.** Additional Increase in Cost of Working – See 'Common Clauses to Parts A and B'.

**Item 3.** Accounts Receivable – See 'Common Clauses to Parts A and B'.

**Item 4.** Claim Preparation Expenses – See 'Common Clauses to Parts A and B'.

## Common Clauses to Parts A and B

The following clauses are applicable to Parts A and B.

### Departmental

If Your Business is conducted in departments or business units the independent trading results of which are ascertainable, the provisions of Item 1 will apply separately to each department affected by the Damage. For the purposes of this clause, the Rent Receivable from letting of property at the Business Premises will be regarded as the proceeds of one such department.

## Sum Insured

Our liability to You will in no case exceed in respect of each item the sum insured expressed against that item in the current Policy Schedule. Additional benefits are within the total sum insured of this section and not additional to the total sum insured.

**Item 2.** Additional increase in cost of working

The insurance under this Item is limited to increase in cost of working (not otherwise recoverable hereunder) necessarily and reasonably incurred during the Indemnity Period in consequence of the Damage for the purpose of avoiding or diminishing reduction in Gross Profit or Weekly Revenue and/or resuming and/or maintaining normal business operations and/or services.

**Item 3.** Accounts receivable

Under this item We will pay You up to the amount shown in the current Policy Schedule for all sums due to You from debtors that You are unable to collect because of Damage to records of accounts receivable.

We will also pay collection expenses in excess of normal collection costs made necessary because of the Damage as well as interest charges at the ruling rate of Your bank on any loan to offset impaired collections pending repayment of such sums made uncollectible by such Damage. If You cannot accurately establish the total amount of accounts receivable outstanding as at the date of the Damage, the amount will be computed as follows:

- (a) determine the amount of all outstanding accounts receivable at the end of the same fiscal month in the year immediately preceding the year in which the Damage occurs
- (b) calculate the percentage of increase or decrease in the average monthly total of accounts receivable for the year immediately preceding the month in which the Damage occurs, as compared with such average for the same months of the preceding year
- (c) the amount determined under (a), increased or decreased by the percentage calculated under (b) above, will be the agreed total amount of accounts receivable as of the last day of the fiscal month in which said Damage occurs
- (d) the amount determined under (c) above will be increased or decreased in conformity with the normal fluctuation in the amount of accounts receivable during the fiscal month involved, consideration being given to the experience of Your Business since the last day of the last fiscal month for which statements have been rendered less:
  - (i) the amounts of such accounts evidenced by records not suffering Damage or otherwise established or collected by You

- (ii) an amount to allow for probable bad debts that would normally have been uncollectible by You
- (iii) all unearned interest and service charges, and
- (iv) settlement or term discounts normally allowed.

#### **Item 4. Claim Preparation and Proving Expenses**

In addition to the amount payable under General Condition 'Claim preparation expenses' of this Policy We will pay You up to the amount shown in the current Policy Schedule for the costs of such reasonable professional fees as may be payable by You and other such reasonable expenses necessarily incurred by You and not otherwise recoverable, for preparation and negotiation of claims under this section.

#### **Accumulated Stocks**

In adjusting any loss, account will be taken and equitable allowance made if any reduction in Gross Profit or loss of Weekly Revenue in consequence of the Damage is postponed by reason of the Gross Profit or Weekly Revenue (as the case may be) being temporarily maintained from accumulated stocks of finished goods

#### **Alternative trading**

If during the Indemnity Period, goods are sold, work is performed or services are rendered elsewhere than at the Business Premises for the benefit of Your Business either by You or by others acting on Your behalf, the money paid or payable in respect of such sales, work or services will be brought into account in arriving at the Gross Profit or Weekly Revenue during the Indemnity Period.

#### **New business**

In the event of Damage occurring at the Business Premises before the completion of the first year's trading of Your Business, the defined terms 'Standard Gross Profit', 'Annual Gross Profit' and 'Standard Weekly Revenue' shall instead have the following meanings wherever they appear in this section:

**'Standard Gross Profit'** means the Gross Profit achieved between the date of commencement of Your Business and the date of the Damage, converted to the selected Indemnity Period.

**'Annual Gross Profit'** means the actual Gross Profit achieved during Your first year of operations, from the commencement of Your Business to the date of the Damage, converted to a 12-month equivalent figure.

**'Standard Weekly Revenue'** means the amount calculated by averaging the Weekly Revenues obtained during the period from the date of the commencement of Your Business to the date of the Damage.

The above definitions may be used as necessary to calculate the trend of Your Business and for variations in or other circumstances affecting Your Business either before or after the Damage or which would have affected Your Business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the result which but for the Damage would have been obtained during the relative period after the Damage.

### **Additional Benefits**

This section is extended to include the following additional benefits. Additional benefits 1 to 12 inclusive are payable provided that the sum insured expressed against the relevant item(s) in the Policy Schedule is not otherwise exhausted.

We will pay You (depending on the Part of this section which is applicable to You) for:

- (a) loss of Gross Profit
- (b) loss of Weekly Revenue,

resulting from interruption of or interference with Your Business as a result of Damage occurring during the Period of Cover to, or as a direct result of:

#### **1. Customers and suppliers – unspecified**

unspecified property at the premises of Your suppliers or customers of goods or materials or services (other than those services provided by any Public utilities) or at storage premises neither owned nor operated by You where You store goods or materials, all within the Commonwealth of Australia, provided that Our liability will not exceed 20% or the percentage shown in the Policy Schedule of the sum insured applicable to this section.

#### **2. Prevention of access**

- (a) property, or intervention of any lawful authority resulting from threat of Damage to property within a 50-kilometre radius of the Business Premises, which prevents access to or hinders the use of the Business Premises.
- (b) property forming part of or contained in a complex of which the location forms part whether the Premises or property of the Insured forming part of or contained in the complex shall be damaged or not.

### 3. Public utilities

any land-based telecommunications system or any electricity, gas or water supply systems within the Commonwealth of Australia, provided that where public supply is not at or immediately adjacent to Your premises, the interruption of supply extends for greater than 48 hours.

### 4. Computer facilities

computer installations, including ancillary equipment and data processing media, utilised by You in the Commonwealth of Australia other than at the Business Premises.

### 5. Roads, bridges and railway lines

roads, bridges and/or railway lines within the Commonwealth of Australia over which raw materials and other Stock are conveyed to or from the Business Premises.

### 6. Storage sites/temporary removal

Your property stored or being processed at any premises in the Commonwealth of Australia not occupied by You. Our total liability under this additional benefit will not exceed 20% of the sum insured.

### 7. Transit

Your property while in transit by road, rail, sea or air within the Commonwealth of Australia and outside of the Business Premises occupied by You, up to an amount not exceeding 20% of the sum insured in respect of any one occurrence.

### 8. Explosion of pressure vessels

to pressure vessels including boilers, compressors or economisers by self-explosion or collapse.

### 9. Documents

to documents and electronic data files belonging to or held in trust by You, while in transit or while at the premises not occupied by You but limited to 20% of the sum insured or the amount shown in the Policy Schedule, whichever is the greater.

### 10. Motor Vehicles owned or operated by You

to any registered Vehicles or trailers owned or operated by You, while such Vehicles are at the Business Premises or at other premises in Australia but not on a public thoroughfare.

### 11. Infectious disease, etc.

- (a) Murder or suicide occurring at the Situation.
- (b) Shark or crocodile attack occurring within a 20 kilometre radius of the Situation.

- (c) Injury, illness or disease caused by the consumption of food or drink supplied at or from Your Business Premises.
- (d) The outbreak of a human infectious or contagious disease occurring within a 20 kilometre radius of the Situation.
- (e) Closure or evacuation of Your Business by order of a government, public or statutory authority consequent upon:
  - (i) the discovery of an organism likely to result in a human infectious or contagious disease at the Situation; or
  - (ii) vermin or pests at the Situation; or
  - (iii) defects in the drains or other sanitary arrangements at the Situation; or
  - (iv) bomb threat at the Situation.

Cover under additional benefit 11(d) and 11(e)(i) does not apply in respect of Highly Pathogenic Avian Influenza in Humans or any other diseases declared to be quarantinable diseases under the Quarantine Act 1908 and subsequent amendments.

### 12. Goodwill

Following Damage to any building at Your Business Premises We will pay, up to 20% of the sum insured for Gross Profit for 'Goodwill', being the actual cost of goodwill incurred by You when purchasing a business in order to maintain Your Business activities. Provided that:

- (a) We will only pay these goodwill costs when the building that is damaged cannot or will not be repaired or rebuilt due to any refusal by any owner or lessor other than You to repair or rebuild; and any restrictions imposed by any legal authority, and
- (b) the purchase of the business is incurred because You were unable to continue Your Business at the Business Premises as a result of the Damage to the buildings not being repaired, and
- (c) the cause of the Damage to the buildings would have been covered by the Business Property Cover section of Your Policy had that building been insured under that section, and
- (d) the business that is purchased is similar to Your Business.

## Additional benefits – in addition to your sum insured

The following additional benefits are provided if You have selected the Business Interruption cover section:

### 1. Salvage sale

Any income resulting from a salvage sale during the Indemnity Period will not be taken into account when calculating:

- (a) the amount by which the Gross Profit earned during the Indemnity Period falls short of the Standard Gross Profit, in consequence of the Damage, and
- (b) the amount by which the Weekly Revenue during the Indemnity Period falls short of the Standard Weekly Revenue in consequence of the Damage.

### 2. Gross Profit/Output option

In the event of Damage giving rise to a claim under this section, at Your option, the term "Output" may be substituted for the term "Gross Profit" wherever appearing in this section. Provided that only one such term will operate in connection with any one occurrence involving Damage.

### 3. Government incentives

Gross Profit is extended to include the loss of any Government approved incentives, subsidies or market development allowances You are entitled to in relation to Your Business.

### 4. Contractual fines and penalties

Following a claim under Part A, Item 1 Gross Profit,

- (a) for fines or damages, other than aggravated, punitive or exemplary damages, for breach of contract resulting from non completion or late completion of orders; or
- (b) in discharge of contract purchases, cancellation charges, fines or damages for breach of contracts for the purchase of goods or services which cannot be utilised by You during the Indemnity Period, less any value to You for such goods or the amount received from sale.

The amount payable shall not exceed 20% of the total sum insured for Gross Profit

## Optional benefits

The following Optional benefits do not apply automatically. Each one will apply when You have requested it's inclusion in this section, and the current Policy Schedule has been endorsed by Us noting the inclusion.

### 1. Suppliers' Premises

This section extends to include loss resulting from interruption of or interference with the Business as a consequence of Damage, for which a claim would have been payable under the Business Property cover section of this Policy if such property had been insured under this Policy, to property (including Your property while it is temporarily deposited at premises anywhere in Australia) at the premises of Your suppliers of materials or where work is done in connection with Your Business, and which is shown in the Policy Schedule.

Our liability under this Optional Benefit shall not exceed the percentage of the sum insured shown against each supplier's premises in the Policy Schedule.

We are not liable under this Optional Benefit for any loss resulting from Damage by earthquake, tsunami, subterranean fire or volcanic eruption, to property at any supplier's premises located in Japan, New Zealand or United States of America.

### 2. Customers' Premises

This section extends to include loss resulting from interruption of or interference with the Business as a consequence of Damage, for which a claim would have been payable under the Business Property cover section of this Policy if such property had been insured under this Policy, to property at the premises of Your customers shown in the Policy Schedule.

Our liability under this Optional Benefit shall not exceed the percentage of the sum insured shown against each customer's premises in the Policy Schedule.

We are not liable under this Optional Benefit for any loss resulting from Damage by earthquake, tsunami, subterranean fire or volcanic eruption, to property at any supplier's premises located in Japan, New Zealand or United States of America.



## Special conditions applicable to this section

### Adjustment of premium

We will reduce Your premium for Part A – Gross Profit cover at the end of each Period of Cover if the Gross Profit earned during the previous 12 months accounting period is less than the sum insured.

The adjustment rate is 50% of the difference between the premium payable for the Gross Profit sum insured and for the Gross Profit earned.

Any payment made by Us for a claim under Part A – Gross Profit is to be included in the Gross Profit earned for the purpose of this adjustment.

### Books of account

Any particulars or details contained in Your books of account or other business books or documents that may be required by Us for investigating or verifying any claim made under this section may be produced and certified by Your auditors and their certificate will be prima facie evidence of the particulars and details to which the certificate relates.

## Theft cover section

### Words with special meaning

Some words have special meaning wherever they appear in this section. These words and their meanings are listed below:

**Total Contents** When showing on your schedule will include Stock.

### What You are covered for

We cover You for loss of or damage to the property shown under the Theft section on the current Policy Schedule caused by:

1. any person who forcibly and violently enters or attempts to enter the Business Premises
2. any person unlawfully concealed on the Business Premises
3. any person who threatens or commits physical violence to You, Your employees or other persons
4. armed hold-up at the Situation
5. any person who breaks into any locked cabinet and/or counter and/or showcase which is located on the Business Premises.

The loss or damage must occur during the Period of Cover.

### How We will pay Your claim

We will not pay more than the sum insured shown on the current Policy Schedule for the Theft cover section, except to the extent stated under the heading 'Additional benefits in addition to Your sum insured'.

### Method of settlement – reinstatement or replacement value

We will pay Your cost to:

- (a) replace the property if the covered property is not found within a reasonable time after the loss, or
- (b) replace the property if the covered property cannot be economically repaired, or
- (c) repair the property if the covered property can be economically repaired.

### Method of settlement – Indemnity

We will pay You the replacement cost of the insured property less an equitable amount for age, wear, tear, depreciation and will make an adjustment for the general condition and remaining useful life of the individual item or components that are damaged:

- (a) if You do not replace the covered property which is lost or destroyed, or

- (b) if the covered property can be repaired for less than the cost to replace but You choose not to replace the property.

## **Additional benefits – Theft cover section**

### **Additional benefits included in Your sum insured**

Where a sum insured is shown on the Policy Schedule for contents or total contents and where that sum insured has not been otherwise exhausted, cover is extended to include:

#### **Theft (limited) without forcible and violent entry**

- (a) loss or damage, limited to \$10,000 for any one occurrence, by theft or attempted theft of Business Property other than electronic equipment, Stock or customers' goods,
- (b) loss or damage, limited to \$20,000 (unless a higher amount applicable to this paragraph (b) is shown in the current Policy Schedule against the above heading) for any one occurrence, by theft or attempted theft of Your electronic equipment which is not Stock.
- (c) loss of the buildings at the Business Premises if caused by theft, limited to \$10,000 for any one occurrence,

occurring during the Period of Cover from the Business Premises without forcible and violent entry but excluding theft or attempted theft from any open-sided structure such as, but not limited to verandas or yards or other open spaces even if they are partially or fully enclosed. This additional benefit does not cover loss as a result of unexplained disappearance, unexplained or inventory shortage, clerical or accounting errors or shortage in supply or delivery to or from the Business Premises.

#### **Damage to Business Premises**

The cost to repair Your Business Premises and property contained inside. The maximum amount We will pay for this additional benefit is the total of:

- (a) the remaining sum insured for each item covered after payment of a claim, and
- (b) the sub-limit (if any) shown in the current Policy Schedule for this additional benefit.

#### **Permanently fixed (non-portable) apparatus**

Theft, whether following forcible and violent entry or otherwise, of permanently fixed (non-portable) apparatus or appliances, owned by You or for which You are legally responsible or have assumed a responsibility to insure, attached to the building other than by means of a flexible or tensile cord to a power point but limited to an amount not exceeding:

- (a) \$10,000; or

- (b) the balance of the sum insured on either contents or total contents whichever is the lesser.

## **Additional benefits in addition to Your sum insured**

### **Seasonal increase of cover**

All theft cover sums insured are increased by 50% for:

- (a) eight (8) weeks prior to and including Christmas Day;
- (b) three (3) weeks after and including 26 December;
- (c) six (6) weeks prior to and including Easter Tuesday;
- (d) one (1) week after but not including Easter Tuesday;
- (e) six (6) weeks prior to and including any celebrated event of a festive, religious or ethnic nature (other than Christmas or Easter);
- (f) one (1) week after the same festive, religious or ethnic event or celebration.

Any other period shown on the current Policy Schedule, in lieu of the covers in (a) to (f) above.

Provided you can demonstrate that the stock levels during such period has risen by more than 20% above standard levels and that the increase has happened solely for the purpose of meeting additional customer demand associated with such period.

If your sum insured for stock is included in another item on the current Policy Schedule we will only apply the increase to the portion of the sum insured which relates to stock.

### **Temporary protection and security guards**

The cost of necessary temporary protection and repairs and the employment of guards/watchmen to protect insured property following an occurrence covered by this cover section. The maximum amount We will pay for each occurrence is \$10,000. If an occurrence results in a claim being paid under this cover section and another cover section of the Policy, the highest single limit under the relevant cover section applies. The benefit of Temporary Protection and Security Guards shall not be cumulative under this Policy.

### **Locks, keys and combinations**

Following an occurrence covered by this section We will pay the cost of:

- (a) replacing locks, keys or combinations used in Your Business and the cost of opening safes and strongrooms. This additional benefit shall also apply if there are reasonable grounds to suspect that keys or combinations have been stolen or copied without Your authority.
- (b) replacing and developing security film exposed because of theft or attempted theft.

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

If you are also insured under the Money cover section, the benefit payable for Locks, keys and combinations shall not be cumulative and shall be limited to \$10,000 in the aggregate.

### **Rewriting of Records**

The cost of additional clerical and professional costs, limited to \$25,000 any one occurrence, incurred by You to rewrite Your necessary business records if they are lost, destroyed or damaged, whilst located at Your Business Premises or offsite anywhere in the Commonwealth of Australia, by an occurrence and which You are covered for in the Theft cover section

### **Property of directors, and employees**

Cover is extended to include personal property of directors and employees of Your Business if the person to whom the personal effects belong is not named as an insured.

Cover is limited to \$5,000 any one item and \$10,000 overall in respect of any one loss. This additional benefit provides cover to You. It does not provide any insurance cover to any director or employee.

### **Temporary removal**

We also cover Your insured Business Property while temporarily removed to any other premises within the Commonwealth of Australia.

Provided that:

- (a) We will not cover tobacco, tobacco products, cigars, cigarettes or alcoholic beverages
- (b) We will not cover Stock in trade that is on consignment to other parties unless it is owned by You or is property for which You are responsible
- (c) The maximum amount we will pay for this additional benefit will be 20% of the sum insured
- (d) This additional benefit will not apply to any property insured, which has been removed for a period greater than 90 days without our prior written consent.

### **Death or injury following assault**

If an injury is suffered by an owner, partner, proprietor or director, during a theft or attempted theft of Property insured under this Policy for which we have agreed to pay Your claim, and such injury is the sole cause of:

**Item 1.** death;

**Item 2.** total and permanent loss of sight in one or both eyes;

**Item 3.** total and permanent loss of one or both hands or feet; occurring within twelve (12) months of such owner, partner, proprietor or director sustaining the injury; or

**Item 4.** temporary or permanent total disablement from attending to usual business,

We will, in respect of such injury, pay to such owner, partner, proprietor or director or his or her legal representative, in respect of:

- (a) Items 1, 2, and 3: \$10,000, in respect of all injury sustained by any one person during any one Theft or attempted Theft; or
- (b) Item 4: \$200 per week or eighty per cent (80%) of the average weekly earnings of such owner, partner, proprietor or director,

whichever is the lesser, to a maximum period of thirteen (13) weeks from the date of sustaining the injury.

No amount will be payable in respect of:

- (c) death attributable to, or consequent upon, or accelerated by; or
- (d) disablement aggravated by, attributable to, or consequent upon,

any pre-existing physical defect, illness or disease or injury

If You are also insured under the Money cover section, the benefits payable for death or injury following assault shall not be cumulative and shall be limited to \$10,000 in the aggregate.

### **Employee dishonesty**

We will pay You for loss of Business Property by theft or dishonesty by any of Your employees occurring during the Period of Cover, which is discovered within forty five days of its occurrence. Exclusion 3, of 'What You are not covered for under this section', so far as it relates to loss or damage due to theft or attempted theft committed by an employee, does not apply to this additional benefit. Our liability under this additional benefit is limited to \$5,000 for any one occurrence. If You are also insured under the Money cover section, the benefits payable for employee dishonesty shall not be cumulative and shall be limited to \$5,000 in the aggregate per occurrence.

### **Tenanted premises**

We will pay the cost of repairing damage to Business Premises in which You are a tenant and for which You are legally liable to pay in accordance with the terms of Your lease, provided such damage occurs as a result of theft or attempted theft of Business Property

occurring during the Period of Cover. The limit of Our liability under this additional benefit is \$10,000 for any one occurrence.

#### **Additional premises – Provisional cover**

Cover is extended to include all property within Australia that becomes Yours after the commencement of the Period of Cover, for 30 days from first being used by You (unless the Period of Cover ends sooner or the property ceases to be Yours, whichever shall first occur), but the cover is limited to:

- (a) the business described in the Policy Schedule, and
- (b) property insured described in the Policy Schedule.

Our maximum liability under this additional benefit is limited to twenty percent (20%) of the highest sum insured shown in the Policy Schedule in relation to each item of property insured.

Full details of such additional property are to be supplied to Us within 30 days of Your commencement of the use of the property. We may require an additional premium before We will insure such property.

#### **What You are not covered for under this section**

1. We will not pay under the Theft cover section for loss of or damage to:
  - (a) money and negotiable instruments in Excess of \$250
  - (b) jewellery, furs, bullion, property made of gold or silver or precious stones exceeding \$10,000 any one loss and \$2,000 any one item unless they are Stock
  - (c) motor Vehicles unless they are Stock
  - (d) glass unless it is Stock
  - (e) property not contained in a locked building, unless insured under Additional benefits 'Theft (limited) without forcible and violent entry' and 'Permanently fixed (non-portable) apparatus'.
2. We will not pay under the Theft cover section for loss of or damage to property caused by:
  - (a) any person lawfully on Your Business Premises
  - (b) any person who does not steal or intend to steal property.
3. We will not pay under the Theft cover section for loss of or damage to property caused by or in any way contributed to by dishonest acts by You, Your directors, partners, employees or any members of Your Family, other than by an employee following forcible and violent entry.

4. Loss from a safe, strongroom or security enclosure opened by a key or by the use of details of a combination, either of which has been left on Your Business Premises while closed for business, is not covered for more than the sum insured on Business Property anywhere on the premises outside Business Hours.
5. We will not pay under the Theft cover section for unexplained disappearances or unexplained shortages, whether resulting from clerical or accounting errors or shortages in supply or delivery of materials to or by You.

#### **Optional benefit applicable to the Theft cover section**

The current Policy Schedule will show if the following optional benefit, which is in addition to the 'Theft (limited) without forcible and violent entry' Additional Benefit, is covered.

#### **Theft without forcible and violent entry**

This Policy covers Theft of Business Property insured by this section in the open air but within the boundaries of the Situation or contained in an unlocked building, up to the amount shown in the current Policy Schedule for 'theft without forcible and violent entry'.

## Money cover section

### Words with special meaning

Some words have special meaning wherever they appear in this section. These words and the meanings are listed below:

<b>Financial Service Provider</b>	a bank, building society or credit union or an agency for any of these.
<b>Safe</b>	a burglar-resistant container which has been designed to resist fire and attack by hand-held or power-operated tools and has been specifically designed for the storage of Money and valuables. Safe includes Automatic Teller Machines.
<b>Strongroom</b>	a burglar-resistant structure constructed of masonry and steel which has been designed to resist fire and attack by hand-held or power-operated tools and has been specifically designed for the storage of Money and valuables.

### What You are covered for

We cover You for loss of or damage to Money which occurs during the Period of Cover as a result of the Defined events shown on the current Policy Schedule.

### Defined events

#### Combined Money

Is Money:

- (a) In Transit
- (b) Money on Business Premises - during Business Hours
- (c) Money on Business Premises - outside Business Hours for the specified sum insured but to a maximum amount of \$1,000
- (d) Money on Business Premises - while contained in a locked Safe or Strongroom
- (e) Money in private residence

#### Money in transit

Money in Your personal custody or in the custody of persons authorised by You whilst in transit within Australia but not Money in a private residence or any Vehicle left unattended.

Money in transit includes Money whilst contained in the night Safe, night depository chute, or automatic teller machine of any financial services provider. Our liability ceases at the time Your financial services provider ceases trading on the next business day following deposit therein.

#### Money on Business Premises

Money contained in Your Business Premises:

- (a) during Business Hours
- (b) outside Business Hours
- (c) at any time while contained in a locked Safe or Strongroom.

Where Money on Business Premises - outside Business Hours is selected and an amount is also shown in the Policy Schedule for Combined Money, the amount specified against Money on Business Premises - outside Business Hours is in addition to the sum insured provided under Combined Money.

#### Money in private residence

Money contained in:

- (a) Your home, or
- (b) in the home of a person authorised by You when it has been taken home for safe keeping from Your Business Premises or the place of collection until the time Your Financial Service Provider ceases trading on its next full trading day.

### How We will pay Your claim

We will pay You up to the sum insured shown on the current Policy Schedule for each of the Defined events.

In the case of securities (which shall mean certificates of Stock, bonds, coupons and all other types of securities), the basis of valuation shall be:

- (a) if the securities can with Our approval be replaced, the cost of replacement paid or payable by You, or
- (b) if the securities cannot or are not to be replaced by You, the greater of
  - (i) the price for which You purchased them, or
  - (ii) the closing market value on the last business day prior to the date of discovery by You of the loss or destruction of the securities, or if the time of discovery by You is after the close of the market, their closing market value on the day of discovery by You of the loss or destruction of the securities,

- (c) in the case of a loss of subscription, conversion or redemption privileges through the loss of any security, the value of such privileges immediately preceding the expiration thereof, such valuation being in the currency in which the loss was sustained. Losses sustained in currencies other than Australian dollars shall be settled by converting the amount of loss to Australian dollars at the market rate at the time of settlement of the loss or such other rates as may have been expressly agreed with Us. If there is no market price or value on the relevant day stated herein, then the value shall be agreed between You and Us, or in default thereof, We and You shall submit to arbitration and be bound by the decision of the umpire.
- (d) In the case of travellers' cheques, discount house vouchers or lottery tickets, the basis of valuation shall be the original purchase price incurred by You.

### **Additional benefits to the Money cover section**

The following additional benefits shall apply only following loss of or damage to Money or any attempt thereat, insured by this section.

### **Additional benefits included in Your sum insured**

#### **Counterfeit currency**

We will pay for losses sustained by You due to the acceptance in good faith in exchange for merchandise, Money or services, of counterfeit Australian currency notes up to an amount not exceeding \$500 in any one Period of Cover.

### **Additional benefits in addition to Your sum insured**

#### **Locks, keys and combinations**

Following an occurrence covered by this section we will pay the cost of:

- (a) replacing locks, keys or combinations used in Your Business and the cost of opening safes and strongrooms. This additional benefit shall also apply if there are reasonable grounds to suspect that keys or combinations have been stolen or copied without Your authority.
- (b) Replacing and developing security film exposed because of theft or attempted theft

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

If You are also insured under the Theft cover section, the benefit payable for Locks, keys and combinations shall not be cumulative and shall be limited to \$10,000 in the aggregate.

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

If Money is stolen or there is an attempt at stealing Your Money from Your Safe or Strongroom, We will pay You:

- (a) the cost of opening the Safe or Strongroom and to repair or replace any loss or damage to the Safe or Strongroom that was caused by the theft or attempt
- (b) If Money is stolen or if there is an attempt at stealing Your Money, We will pay for loss of or damage to Your cash carrying bag that was caused by the theft or attempted theft.

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

#### **Temporary protection and security guards**

We will pay You the costs necessarily and reasonably incurred by You in effecting temporary protection and the employment of guards/watchmen to safeguard the insured property as a result of theft or attempted theft of Money occurring during the Period of Cover and that is insured under this cover section. The maximum amount We will pay for each occurrence is \$10,000. If an occurrence results in a claim being paid under this cover section and another cover section of the Policy, the highest single limit under the relevant cover section applies. The benefit of Temporary Protection and Security Guards shall not be cumulative under this Policy.

#### **Seasonal increase of cover**

All Money Cover sums insured are increased by 50% for:

- (a) eight (8) weeks prior to and including Christmas Day;
- (b) three (3) weeks after and including 26 December;
- (c) six (6) weeks prior to and including Easter Tuesday;
- (d) one (1) week after but not including Easter Tuesday;
- (e) six (6) weeks prior to and including any celebrated event of a festive, religious or ethnic nature (other than Christmas or Easter);
- (f) one (1) week after the same festive, religious or ethnic event or celebration.

Any other period shown on the current Policy Schedule, in lieu of the covers in (a) to (f) above.

### **Bank and public holidays extension**

The sums insured for Money cover are automatically increased by 100% on days that are gazetted bank or public holidays. This increase shall apply up until bank closing time on the next business day after such holiday. This additional benefit does not apply to damage to Safes and Strongrooms and seasonal increases.

### **Death or injury following assault**

If an injury is suffered by an owner, partner, proprietor or director, during a Theft or attempted Theft of Property insured under this Policy for which we have agreed to pay Your claim, and such injury is the sole cause of:

- Item 1. death;
- Item 2. total and permanent loss of sight in one or both eyes;
- Item 3. total and permanent loss of one or both hands or feet; occurring within twelve (12) months of such owner, partner, proprietor or director sustaining the injury; or
- Item 4. temporary or permanent total disablement from attending to usual business,

We will, in respect of such injury, pay to such owner, partner, proprietor or director or his or her legal representative, in respect of:

- (a) Items 1, 2, and 3: \$10,000, in respect of all injury sustained by any one person during any one Theft or attempted Theft; or
- (b) Item 4: \$200 per week or eighty per cent (80%) of the average weekly earnings of such owner, partner, proprietor or director,

whichever is the lesser, to a maximum period of thirteen (13) weeks from the date of sustaining the injury.

No amount will be payable in respect of:

- (c) death attributable to, or consequent upon, or accelerated by; or
- (d) disablement aggravated by, attributable to, or consequent upon,

any pre-existing physical defect, illness or disease or injury

If You are also insured under the Theft Cover Section, the benefits payable for death or injury following assault shall not be cumulative and shall be limited to \$10,000 in the aggregate.

### **Employee dishonesty**

We will pay You for loss of Money by theft or dishonesty by any of Your employees occurring during the Period of Cover, which is discovered within forty-five days of its occurrence. Exclusion 1(c), of 'What

You are not covered for under this section', so far as it relates to loss or damage due to theft or attempted theft committed by an employee, does not apply to this additional benefit. Our liability under this additional benefit is limited to \$5,000 for any one occurrence. If You are also insured under the Theft cover section, the benefits payable for employee dishonesty shall not be cumulative and shall be limited to \$5,000 in the aggregate per occurrence.

### **Traveller's Money**

Cover under this part is extended to include loss of Money belonging to You, occurring while such Money is in Your personal custody, or in the custody of Your employee while travelling outside of Australia in connection with Your Business.

### **Additional premises – Provisional cover**

Cover is extended to include Money at, or in transit to or from any new Business Premises occupied by You after the commencement of the Period of Cover, within Australia, for 30 days from first being used by You (unless the Period of Cover or Your occupancy of such premises ends sooner, whichever shall first occur), but the cover is limited to:

- (a) the business described in the Policy Schedule, and
- (b) the Money insured described in the Policy Schedule.

Our maximum liability under this additional benefit is limited to 20% of the sum insured shown in the Policy Schedule in relation to each item of Money covered under this section.

Full details of such additional property are to be supplied to Us within 30 days of Your commencement to use the property. If We agree to cover Money at the additional location, We may require payment of an additional premium.

### **Money of directors, and employees**

Cover is extended to include Money (excluding Personal Money) of directors and employees of Your Business if the person to whom the money belongs is not named as an insured.

Cover is limited to \$2,500 any one item and \$10,000 overall in respect of any one loss. This additional benefit provides cover to You. It does not provide any insurance cover to any director or employee.

If You are also insured under the Theft Cover Section, the benefits payable for Property of directors, and employees and the benefits Payable under this additional benefit shall not be cumulative and shall be limited to \$2,500 any one item and \$10,000 in the aggregate.

Personal money is described in the Optional Benefit below.

## Property of directors, and employees

If clothing or personal effects are lost or damaged during a theft of Money, we will pay in addition to the sum insured the cost of repairing or replacing these items.

Cover is limited to \$5,000 any one person and \$10,000 overall in respect of any one loss. This additional benefit provides cover to you. It does not provide any insurance cover to any director or employee. There is no cover for you or any person named as the insured on your Policy Schedule.

## Optional benefit

(The following optional benefit does not apply unless stated in the current Policy Schedule.)

### Personal Money

This Policy covers Personal Money.

Personal Money means current coin, Bank notes, currency notes, cheques, public transport tickets, private transport tickets (excluding airline tickets), bridge or highway tokens, car wash tokens and stored value or similar type cards belonging to the owners, partners, proprietors, directors or employees of Your Business.

The most We will pay under this Extension is the percentage, shown in the Schedule for Personal Money, of the sum insured in respect of such Money on Business Premises – Business Hours or Money in Securely Locked Safe or Strongroom.

## What You are not covered for under this section

1. We will not pay for loss or damage caused by:
  - (a) clerical or accounting errors
  - (b) errors in receiving or paying out Money
  - (c) dishonest acts of Your directors, partners, employees or any member of Your Family other than theft by an employee following visible forcible and violent entry.
2. We will not pay for loss of or damage to:
  - (a) Money which was not discovered missing within ten working days of the loss or damage occurring
  - (b) Money whilst contained in an unlocked and unattended Vehicle
  - (c) Money from a Safe or Strongroom opened by a key or by use of a combination which has been left on the Business Premises outside Business Hours
  - (d) Money, except as provided under additional benefit – 'Traveller's Money', whilst it is outside the Commonwealth of Australia.

## Glass cover section

### Words with special meaning

Some words have special meaning wherever they appear in this section. These words and their meanings are listed below:

<b>Breakage</b>	(a) for plate or sheet Glass or porcelain, a fracture extending through the entire thickness of the Glass or porcelain  (b) for laminated Glass, a fracture extending through the entire thickness of a lamination but not any other damage or disfiguration.
<b>External Glass</b>	(a) glass, or plastic material used as glass fixed in external windows, doors, showcases or skylights forming part of the premises.  (b) ceramic tiled shop fronts
<b>Glass</b>	'Internal Glass', 'External Glass' and 'Specified Glass'
<b>Internal Glass</b>	(a) glass, or plastic material used as glass in internal partitions, windows and doors, glass in counters, glass forming shelves and/or stock restraints, interior showcases, fixed mirrors and other fixed internal glass including ceramic vitreous china urinals, toilet pans and hand basins; and  (b) frames of showcases, display cabinets and counters containing the broken Glass.
<b>Premises</b>	the buildings at the Situation.
<b>Sign</b>	Glass or plastic that forms part of a Sign.
<b>Specified Glass</b>	Glass specifically designated in the Policy Schedule under Specified Glass.

### What You are covered for

We cover You for Breakage at the Situation of the Glass shown on the current Policy Schedule which occurs during the Period of Cover.



## What You are not covered for under this section

We will not pay the cost to repair or replace broken Glass:

1. which is Stock
2. which is chipped or in poor condition when the Period of Cover commences
3. which is part of any glasshouse, conservatory, radio, television screen, computer screen, vase, picture, crystal, crockery or china and Glass item normally carried by hand.

## How We will pay Your claim

We will at Our option either pay the cost to repair or replace broken Glass with Glass of similar or higher quality to comply with the requirements of The Standards Association of Australia, any statute or regulation.

## Additional benefits applicable to the Glass cover section

If a claim is payable by Us under the Glass cover section We will also pay up to the greater of the limit defined below or the sum insured shown on the current Policy Schedule for the reasonable cost to replace or repair the following additional items:

### (a) External Glass

In the event of Breakage of External Glass, We will indemnify You for each of the following:

- (i) replacing sign writing or ornamentation affixed to the broken Glass.
- (ii) replacing burglar tape or wiring affixed to the broken Glass.
- (iii) replacing shatter resistant or reflective film affixed to the broken Glass.
- (iv) temporary shuttering, boarding up or other protection reasonably necessary for the safeguarding of the Premises or contents therein, pending replacement of the broken Glass.
- (v) replacing damaged window frames and tiled shop fronts, but with due allowance for wear and tear.

Our liability under this additional benefit during any one Period of Cover is limited to \$7,500.

### (b) Destruction of Stock or contents

We will pay for destruction of, or damage to Your Stock or contents, caused by broken Glass following the Breakage of Glass where such Breakage constitutes an admissible claim under this section.

Our liability under this additional benefit during any one Period of Cover is limited to:

- (i) the value at cost, of the Stock or contents destroyed or damaged, less any amount realised from the sale or salvage or;
  - (ii) the sum of \$7,500, whichever is the lesser.
- (c) Signs
- Glass or plastic which forms part of an illuminated Sign and which is damaged during the Period of Cover. This additional benefit is subject to a sub-limit of liability of \$7,500 or any higher sub-limit stated in the current Policy Schedule for 'Signs'. The admissibility of claims for damage to Signs shall not be contingent upon other damage to Glass.
- (d) Overtime
- We will pay the reasonable costs for after-hours service by repairers, express delivery and overtime charges to repair or replace broken Glass.
- (e) Malicious damage
- Malicious damage to External Glass. This additional benefit is payable even where there is no Breakage of External Glass.

# Public and Products Liability cover section

## Words with special meaning

Some words have special meaning wherever they appear in this section. These words and their meanings are listed below:

<b>Advertising Injury</b>	injury arising out of: <ul style="list-style-type: none"><li>(a) libel, slander or defamation, or</li><li>(b) any infringement of copyright or passing off of title or slogan; or</li><li>(c) unfair competition, piracy, idea misappropriation contrary to an implied contract; or</li><li>(d) invasion of privacy; committed or alleged to have been committed during the Period of Cover in any advertisement, publicity article, broadcast or telecast and caused by or arising out of Your advertising activities.</li></ul>
<b>Compensation</b>	monies paid or agreed to be paid by judgment, award or settlement for Personal Injury and/or Property Damage and/or Advertising Injury. Provided that such Compensation is only payable in respect of an Occurrence to which this insurance applies.
<b>Employee</b>	any person who is employed by You and/or in respect of whom You are required to have cover for workers Compensation or similar cover by any workers Compensation legislation.
<b>Employment Practices</b>	any wrongful or unfair dismissal, denial of natural justice, defamation, misleading representation or advertising, harassment or discrimination in respect of Your Employees.

## Excess

the first amount of each claim or series of claims, arising out of any one Occurrence, for which You are responsible. The Excess applicable to this insurance appears in the Policy Schedule. The Excess applies to all amounts for which We will be liable, including the indemnity provided by Defence Costs and Supplementary Payments.

## General Liability

Your legal liability for Personal Injury, Property Damage or Advertising Injury caused by or arising out of an Occurrence happening in connection with Your Business other than Products Liability.

## Geographical Limit

- (a) anywhere within the Commonwealth of Australia and its external territories
- (b) elsewhere in the world but only with respect to:
  - (i) overseas business visits by any of Your directors, partners, officers, executives or Employees, who are normally resident in Australia but not where they perform manual work or supervise manual work in North America;
  - (ii) Products supplied from the Commonwealth of Australia, but the indemnity granted in relation to such Products shall not apply to claims in respect of Personal Injury and/or Property Damage happening in North America where such Products have been exported to North America with Your knowledge.

- Incidental Contracts**
- (a) any written rental agreement or lease of real or personal property not requiring an obligation to insure such property or be strictly liable regardless of fault.
  - (b) any written contract with any authority or entity responsible for the supply of electricity, fuel, gas, natural gas, air, steam, water, sewerage reticulation control systems, waste disposal facilities, telephone and communication services or other essential services, except those contracts in connection with work done for such authorities or entities.
  - (c) any written contract with any railway authority for the loading, unloading and/or transport of Products, including contracts relating to the operation of railway sidings.
  - (d) those contracts designated in the Policy Schedule.

- Internet Operations**
- (a) transfer of computer data or programmes by use of electronic mail systems by You or Your Employees, including for the purpose of this definition only, part-time and temporary staff, contractors and others within Your organisation whether or not such data or programmes contain any malicious or damaging code, including but not limited to Computer virus, worm, logic bomb, or trojan horse,

**(continued)  
Internet Operations**

- (b) access through Your network to the world wide web or a public internet site by You or Your Employees, including for the purposes of this definition only, part-time and temporary staff, contractors and others within Your organisation;
- (c) access to Your intranet (meaning internal company information and computing resources) which is made available through the world wide web for Your customers or others outside Your organisation; and
- (d) the operation and maintenance of Your web site.

**Medical Persons**

includes but is not limited to medical practitioners, medical nurses, dentists and first aid attendants.

**Named Insured**

- (a) the person(s), corporations and/or other organisations specified in the Policy Schedule,
- (b) all existing subsidiary and/or controlled corporations (including subsidiaries thereof) of the Named Insured incorporated in the Commonwealth of Australia and/or any other organisations under the control of the Named Insured;
- (c) all subsidiary and/or controlled corporations (including subsidiaries thereof) of the Named Insured and/or any other organisations under the control of the Named Insured incorporated in the Commonwealth of Australia and which are constituted or acquired by the Insured after the commencement of the Period of Cover.

(continued)  
Name Insured

(d) every subsidiary and/or controlled corporation and/or other organisation of the Named Insured which is divested during the Period of Cover, but only in respect of claims made against such divested subsidiary, related or controlled corporation or organisation caused by or arising out of Occurrences insured against by this Policy, which occurred prior to the divestment.

North America

- (a) the United States of America and the Dominion of Canada,
- (b) any state, territory or protectorate incorporated in, or administered by, the United States of America or the Dominion of Canada; and
- (c) any country or territory subject to the laws of the United States of America or the Dominion of Canada.

Occurrence

an event, including continuous or repeated exposure to substantially the same general conditions, which results in Personal Injury and/or Property Damage and/or Advertising Injury that is neither expected nor intended (except for the matters set out in item (e) of the definition of 'Personal Injury') from Your standpoint.

With respect to Personal Injury or Property Damage, all events of a series consequent upon or attributable to one source or original cause shall be deemed to be one Occurrence.

All Advertising Injury arising out of the same injurious material or act (regardless of the frequency or repetition thereof, the number and kind of media used, or the number of claimants) shall be deemed to be one Occurrence.

Personal Injury

- (a) bodily injury, death, sickness, disease, illness, disability, shock, fright, mental anguish and mental injury, including loss of consortium or services resulting therefrom;
- (b) false arrest, false imprisonment, wrongful detention, malicious prosecution or humiliation;
- (c) wrongful entry or wrongful eviction or other invasion of privacy;
- (d) libel, slander or defamation of character, unless arising out of Advertising Injury;
- (e) 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.

Pollutants

any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste material. 'Waste material' includes materials that are intended to be recycled, reconditioned or reclaimed.

**Products**

anything manufactured, constructed, erected, assembled, installed, grown, extracted, produced or processed, treated, altered, modified, repaired, serviced, bottled, labelled, handled, sold, supplied, re-supplied or distributed, imported or exported, by You or on Your behalf (including Your predecessors in Your Business), including any packaging or containers thereof, including the design, formula or specification, directions, markings, instructions, advice or warnings given or omitted to be given in connection with such Products and anything which, by law or otherwise,

You are deemed to have manufactured in the course of Your Business including discontinued Products provided always that for the purpose of this insurance the term "Products" shall not be deemed to include:

- (a) food and beverages supplied by You or on Your behalf primarily to Your Employees as a staff benefit;
- (b) any vending machine or any other property rented to or located for use of others but not sold by You;

and any claims made against You in respect of Personal Injury and/or Property Damage arising out of any Occurrence in connection therewith shall be regarded as General Liability claims hereunder.

**Products Liability**

Your legal liability for Personal Injury and/or Property Damage caused by or arising out of any Products or the reliance upon a representation or warranty made at any time with respect to such Products; but only where such Personal Injury and/or Property Damage occurs away from premises owned or leased by or rented to You and after physical possession of such Products has been relinquished to others.

**Property Damage**

- (a) physical loss, destruction of or damage to tangible property, including the loss of use thereof at any time resulting therefrom; and/or
- (b) loss of use of tangible property which has not been physically lost, destroyed or damaged; provided that such loss of use is caused by or arises out of an Occurrence.

**Tool of Trade**

a Vehicle that has tools, implements, machinery or plant attached to or towed by the Vehicle and is being used by You at Your premises or on any Work Site. Tool of Trade does not include any Vehicle whilst travelling to or from a Work Site or Vehicles that are used to carry goods to or from any premises.

**Work Site**

any premises or site where any work is performed for and/or in connection with Your Business together with all areas surrounding such premises or site and/or all areas in between such premises or site that You shall use in connection with such work.

**You, Your, Insured  
(where used in this  
section)**

the person(s), companies or firms named on the current Policy Schedule as the 'Insured'. Each of the following is an Insured to the extent specified below:

- (a) the Named Insured,
- (b) every past, present or future director, stockholder or shareholder, partner, proprietor, officer, executive or Employee of the Named Insured (including the spouse of any such person while accompanying such person on any commercial trip or function in connection with Your Business), or work experience persons or volunteers while such persons are acting for or on behalf of the Named Insured and/or within the scope of their duties in such capacities.
- (c) any Employee superannuation fund or pension scheme managed by or on behalf of the Named Insured, and the trustees and the directors of the trustee of any such Employee superannuation fund or pension scheme which is not administered by corporate fund managers.

**(continued)  
You, Your, Insured  
(where used in this  
section)**

- (d) every principal in respect of the principal's liability arising out of:
  - (i) the performance by or on behalf of the Named Insured of any contract or agreement for the performance of work for such principal, but only to the extent required by such contract or agreement and in any event only for such coverage and limits of liability as are provided by this Policy.
  - (ii) any Products sold or supplied by the Named Insured, but only in respect of the Named Insured's own acts or omissions in connection with such Products and in any event only for such coverage and limits of liability as are provided by this Policy.
- (e) every person, corporation, organisation, trustee or estate to whom or to which the Named Insured is obligated by reason of law, (whether written or implied) to provide insurance such as is afforded by this Policy, but only to the extent required by such law, and in any event only for such coverage and limits of liability as are provided by this Policy.
- (f) every officer, member, Employee or voluntary helper of the Named Insured's canteen, social and/or sporting clubs, first aid, medical, ambulance or fire fighting services, charities, welfare and/or child care facilities, while acting in their respective capacities as such.

(continued)

**You, Your, Insured  
(where used in this  
section)**

- (g) any director, partner, proprietor, officer or executive of the Named Insured in respect of private work undertaken by the Named Insured's Employees for such person and any Employee whilst actually undertaking such work.
- (h) the estates, legal representatives, heirs or assigns of:
  - (i) any deceased or insolvent persons, or
  - (ii) persons who are unable to manage their own affairs by reason of mental disorder or incapacity, who would otherwise be indemnified by this Policy, but only in respect of liability incurred by such persons as described in clauses h(i) and h(ii) above.
- (i) every party including joint venture companies and partnerships to whom the Named Insured is obligated by virtue of any contract or agreement to provide insurance such as is afforded by this Policy; but only to the extent required by such contract or agreement and in any event only for such coverage and limits of liability as are provided by this Policy.

**Your Business**

the business as described in the Policy Schedule (and, where applicable, as further described in any more specific underwriting information provided to Us at the time when this insurance was negotiated) and shall include:

- (a) the ownership of premises and/or the tenancy thereof by You.
- (b) the provision of any sponsorships, charities, galas, first aid, medical, ambulance or fire fighting service by You or on Your behalf.
- (c) private work undertaken by Your Employees for any of Your directors, partners, proprietors, officers or executives.
- (d) the provision of any canteen, social and/or sporting clubs or welfare and/or child care facilities by You or on Your behalf, which are primarily for the benefit of Your Employees.

### **What You are covered for**

We agree (subject to the terms, Claims conditions, General Policy conditions, Exclusions, Words with special meaning and Limits of liability incorporated herein) to pay to You or on Your behalf all amounts which You shall become legally liable to pay as Compensation in respect of:

1. Personal Injury, and/or
2. Property Damage; and/or
3. Advertising Injury;

happening during the Period of Cover within the Geographical Limits and caused by or arising out of an Occurrence in connection with Your Business.

### **Defence costs and supplementary payments**

With respect to the indemnity provided by this Policy, We will:

1. defend, in Your name and on Your behalf, any claim or suit against You alleging such Personal Injury, Property Damage or Advertising Injury and seeking damages on account thereof even if any of

the allegations of such claim or suit is groundless, false or fraudulent.

2. pay all charges, expenses and legal costs incurred by Us and/or by You with Our written consent:
  - (a) in the investigation, defence or settlement of such claim or suit, including loss of salaries or wages because of Your attendance at hearings or trials at Our request, or
  - (b) in bringing or defending appeals in connection with such claim or suit.
3. pay all charges, expenses and legal costs recoverable from or awarded against You in any such claim or suit and all interest accruing on Our portion of any judgment until We have paid, tendered or deposited in court that part of such judgment which does not exceed the limit of Our liability thereon.
4. pay expenses incurred by You for:
  - (a) rendering first aid and/or surgical or medical relief to others at the time of any Personal Injury (other than any medical expenses, which We are prevented from paying by any law).
  - (b) temporary protection of damaged or undamaged property of any person or party, including temporary repairs, shoring up and/or unpinning thereof.
  - (c) purchasing and/or hiring and/or erection and dismantling of hoarding, barriers, fences and any other form of temporary protection, including such protection which You must provide in compliance with the requirements of any Government, Local Government or other Statutory Authority.
5. pay all legal costs incurred by You with Our consent for representation of You at:
  - (a) any Coronial inquest or Inquiry
  - (b) any proceedings in any court or tribunal in connection with liability insured against by this Policy.

The amounts of such defence costs and supplementary payments incurred, except payments in settlement of claims and suits, are payable by Us in addition to the applicable Limit of Liability of this Policy.

However, in respect of any claims or suits originating in any court in North America, the applicable Limit of Liability shown in the Policy Schedule shall be inclusive of all defence costs and supplementary payments.

Where We are prevented by law or otherwise from making payments on Your behalf, We will indemnify You for legal liability incurred to the extent that such liability is covered by this Policy.

In jurisdictions where We may not legally be permitted to, or cannot for any other reason, defend any claim

or suit against You, We will reimburse You for the expense of such defence incurred with Our written consent.

## Limits of liability and Excess

Subject to:

- (i) the 'Claim preparation expenses' provision under 'General Policy conditions',
- (ii) the 'Defence costs and supplementary payments' clause above,
- (iii) item 4 of Additional Benefit 'Property in your physical and legal control' below,

for General Liability the limit of liability specified in the Policy Schedule represents the maximum amount which We shall be liable to pay in respect of any one claim or series of claims arising out of any one Occurrence.

For Products Liability the limit of liability specified in the Policy Schedule represents the maximum amount which We shall be liable to pay in respect of any one claim or series of claims, and in the aggregate during any one Period of cover.

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

## What You are not covered for under this section

We do not cover any liability:

### 1. Property owned by You

for Property Damage to property owned by You.

### 2. Vehicles

for Personal Injury or Property Damage arising out of the ownership, possession or use by You of any Vehicle:

- (a) which is registered or which is required under any legislation to be registered, or
- (b) in respect of which compulsory liability insurance or statutory indemnity is required by virtue of legislation (whether or not that insurance is effected)

but exclusions (a) and (b) shall not apply to:

- (c) Personal Injury where:
  - (i) that compulsory liability insurance or statutory indemnity does not provide indemnity, and
  - (ii) the reason or reasons why that compulsory liability or statutory indemnity does not provide indemnity do not involve a breach by You of legislation relating to Vehicles.



- (d) any Vehicle (including any tool or plant forming part of or attached to or used in connection with such Vehicle) whilst being operated or used by You or on Your behalf as a Tool of Trade at Your premises or on any Work Site
- (e) the delivery or collection of goods to or from any Vehicle
- (f) the loading or unloading of any Vehicle
- (g) any Vehicle temporarily in Your custody or control for the purpose of parking.

### 3. Aircraft, Hovercraft

for Personal Injury and/or Property Damage arising from:

- (a) the ownership, maintenance, operation, or use by You of any Aircraft or Hovercraft,
- (b) any property used for the purpose of an airport or any Aircraft landing strip.

### 4. Aircraft Products

arising out of any Products which an insured person knew or has reasonable cause to believe would be or is intended for incorporation into any critical part, the structure, machinery or controls of any Aircraft.

### 5. Damage to Products

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

### 6. Faulty workmanship

for the cost of performing, completing, correcting or improving any work undertaken by You.

### 7. Loss of use

for loss of use of tangible property, which has not been physically lost, destroyed or damaged, directly arising out of:

- (a) a delay in or lack of performance by You or on Your behalf of any contract or agreement; or
- (b) failure of any Products or work performed by You or on Your behalf to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by You; but this Exclusion 7(b) shall not apply to Your liability for loss of use of other tangible property resulting from sudden and accidental physical loss, destruction of or damage to any Products or work performed by You or on Your behalf

after such Products or work have been put to use by any person or organisation other than You.

### 8. Product guarantee

for any Products warranty or guarantee given by You or on Your behalf, but this exclusion shall not apply to the requirements of any Federal or State legislation as to product safety and information.

### 9. Product recall

for damages, costs or expenses arising out of the withdrawal, recall, inspection, repair, reconditioning, modification, reinstallation, replacement or loss of use of any Products where such Products are withdrawn or recalled from the market or from use by any person or organisation because of any known, alleged or suspected defect or deficiency in such Products.

### 10. Pollutants

- (a) for Personal Injury and/or Property Damage directly or indirectly arising out of the discharge, dispersal, release or escape of Pollutants into or upon land, the atmosphere or any watercourse or body of water.
- (b) for the cost of testing and monitoring for, removing, nullifying, or cleaning up of Pollutants.

Provided that, with respect to any such liability which may be incurred anywhere other than North America, Exclusions 10(a) and 10(b) shall not apply where such discharge, dispersal, release or escape is caused by a sudden, identifiable, unintended and unexpected event from Your standpoint which takes place in its entirety at a specific time and place.

### 11. Advertising Injury

for Advertising Injury:

- (a) resulting from statements made at Your direction with knowledge that such statements are false.
- (b) resulting from failure of performance of contract but this exclusion shall not apply to claims for unauthorised appropriation of advertising ideas contrary to an implied contract.
- (c) resulting from any incorrect description of Products or services.
- (d) resulting from any mistake in advertised price of Products or services.
- (e) resulting from failure of the Insured's Products or services to conform with advertised performance, quality, fitness or durability.

- (f) incurred by any Insured whose principal occupation or business is advertising, broadcasting, publishing or telecasting.

## 12. Breach of professional duty

owed in a professional capacity by You and/or any person(s) for whose breaches You may be held legally liable, but this exclusion shall not apply to claims for Personal Injury and/or Property Damage arising from a breach of duty:

- (a) arising out of the rendering of or failure to render professional medical advice by Medical Persons employed by You to provide first aid and other medical services on Your premises;
- (b) arising out of advice which is given by You for no fee;
- (c) arising out of advice given in respect of the use or storage of Your Products.

## 13. Property in Your physical or legal control

- (a) for damage to property owned by, leased or rented to You;
- (b) for damage to property not belonging to You but in Your physical and legal control other than the property described in 'Additional benefit – Property in physical and legal control'.

## 14. Contractual liability

which has been assumed by You under any contract or agreement that requires You to:

- (a) effect insurance over property, either real or personal.
- (b) assume liability for Personal Injury and/or Property Damage and/or Advertising Injury regardless of fault; provided that this exclusion shall not apply with regard to:
  - (i) liabilities which would have been implied by law in the absence of such contract or agreement; or
  - (ii) liabilities assumed under Incidental Contracts; or
  - (iii) terms regarding merchantability, quality, fitness or care of Your product which are implied by law or statute; or
  - (iv) liabilities assumed under the contracts specifically designated in the Policy Schedule or in any endorsement(s) to this Policy.

## 15. Watercraft

for Personal Injury and/or Property Damage arising from the ownership, maintenance, operation or use by You of any Watercraft exceeding eight (8) metres in length.

Provided that exclusion 15 shall not apply with regard to claims arising out of:

- (a) Watercraft used in operations carried out by any independent contractors for whose conduct You may be held liable.
- (b) Watercraft owned by others and used by You for business entertainment.

## 16. Employers liability

- (a) for bodily injury to any worker in respect of which You are or would be entitled to indemnity under any Policy of insurance, fund, scheme or self insurance pursuant to or required by any legislation relating to Workers Compensation or Accident Compensation whether or not such Policy, fund, scheme or self insurance has been effected.

Provided that this Policy will respond to the extent that Your liability would not be covered under any such Policy, fund, scheme or self insurance arrangement had You complied with its obligations pursuant to such law.

- (b) imposed by:
  - (i) the provisions of any industrial award or agreement or determination or any contract of employment or workplace agreement where such liability would not have been imposed in the absence of such industrial award or agreement or determination or contract of employment or workplace agreement.
  - (ii) any law relating to Employment Practices.

For the purpose of exclusions 16(a) and 16(b):

- the term 'worker' means any person deemed to be employed by You pursuant to any Workers Compensation Law. Voluntary workers, secondees and work experience students (if any) shall not be deemed to be Your Employees.
- the term 'bodily injury' means bodily injury, death, sickness, disease, illness, disability, shock, fright, mental anguish and/or mental injury, including loss of consortium or services resulting therefrom.

## 17. Fines, penalties, punitive, exemplary or aggravated damages

for any fines, penalties, punitive, exemplary, aggravated damages and any additional damages resulting from the multiplication of compensatory damages.

## 18. Information technology hazards, computer data, program and storage media exclusion

- (a) for Personal Injury and/or Property Damage and/or Advertising Injury arising directly or indirectly out of, or in any way involving Your internet operations, or
- (b) for Property Damage to computer data or programs and their storage media arising directly or indirectly out of or caused by, through or in connection with:
  - (i) the use of any computer hardware or software
  - (ii) the provision of computer or telecommunication services by You or on Your behalf
  - (iii) the use of computer hardware or software belonging to any third party, whether authorised or unauthorised including damage caused by any Computer virus.

But this exclusion does not apply to:

- (c) Personal Injury and/or Property Damage and/or Advertising Injury
- (d) liability which arises irrespective of the involvement of Your Internet Operations.

Nothing in this exclusion will be construed to extend coverage under this Policy to any liability which would not have been covered in the absence of this exclusion.

## 19. Libel and slander

for libel and slander:

- (a) resulting from statements made prior to the commencement of the Period of Cover.
- (b) resulting from statements made at Your direction with knowledge that such statements are false.
- (c) incurred by You if Your Business is advertising, broadcasting, publishing or telecasting.

## 20. Liquidated damages

arising out of liquidated damages clauses, penalty clauses or performance warranties except to the extent that such liability would have attached in the absence of such clauses or warranties.

## 21. Asbestos

for Personal Injury, Property Damage (including loss of use of property) or Advertising Injury directly or indirectly caused by or arising from exposure to asbestos or materials containing asbestos.

## 22. Design, Specification and Formula

Caused by or arising out of Your making or formulating a design or specification within the domain of the architectural, engineering, scientific, chemical, actuarial, statistical, economic, financial or medical profession.

Provided that Exclusion 22 shall not apply in respect of any formulation of a design or specification in regard to any Products, for which You have not charged a fee for that formulation of a design or specification.

## Additional benefit applicable to this section

### Property in Your physical and legal control

Exclusion 13 will not apply to the following property:

1. premises or part(s) of premises (including their contents) leased or rented to, or temporarily occupied by, You for the purpose of Your Business, but no cover is provided by this Policy if You have assumed the responsibility to insure such premises.
2. (a) premises (and/or their contents) temporarily occupied by You for the purpose of carrying out work in connection with Your Business, or  
(b) any other property temporarily in Your possession for the purpose of being worked upon;

but no indemnity is granted for damage to that part of any property upon which You are or have been working if the damage arises solely out of such work.

3. any Vehicle (including its contents, spare parts and accessories while they are in or on such Vehicle) not belonging to or used by You, whilst any such Vehicle is in a car park owned or operated by You provided that You do not operate the car park for reward, as a principal part of Your Business.
4. any property (except property that You own) not mentioned in clauses 1, 2, 3 and 5 of this additional benefit whilst in Your physical or legal care, custody or control where You have accepted or assumed legal liability for such property. Provided that Our liability under this clause 4 shall not exceed \$100,000 or the amount stated in the Schedule, in respect of any one claim or series of claims arising out of any one Occurrence.

5. the personal property, tools and effects of any of Your directors, partners, proprietors, officers, executives or Employees, or the clothing and personal effects of any of Your visitors.

## Special conditions applicable to this section

### Claims

#### 1. Notification of Occurrence, claim or suit

You shall give:

- (a) written notice (including facsimile transmission) via Your Steadfast broker, to Us, as soon as reasonably practicable, of any claim made against You or any Occurrence that may give rise to a claim being made against You and which is covered by this Policy.
- (b) all such additional information that We may reasonably require and every demand, writ, summons, proceedings, impending prosecution or inquest and all documents relating to the claim or Occurrence shall be forwarded to Us as soon as practicable after they are received by You.

#### 2. Your duties in the event of an Occurrence, claim or suit

- (a) You shall not, without Our written consent, make any admission, offer, promise or payment in connection with any Occurrence or claim.
- (b) You shall use the best endeavours to preserve all property, Products, appliances, plant, and all other things which may assist in the investigation or defence of a claim or suit or in the exercise of rights of subrogation and, so far as may be reasonably practicable, no alteration or repair shall be effected without Our consent until We have had an opportunity of inspection.
- (c) You shall, when so requested, provide Us with details of any other insurances current at the time of any Occurrence, and/or Personal Injury and/or Property Damage and/or Advertising Injury and covering any of the liability Insured by this Policy.

#### 3. Our rights regarding claims

- (a) We may take over and conduct the defence or settlement of any claim or issue legal proceedings for damages. If We do this We will do it in your name. We have full discretion in the conduct of any legal proceedings and in the settlement of any claim. You must co-operate by giving Us any statements, documents or assistance We require. This

may include giving evidence in any legal proceedings.

- (b) We may at any time pay to You, in respect of all claims against You arising directly or indirectly from one source or original cause:
  - (i) the amount of the Limit of Liability or such other amount specified in respect thereof (after deduction of any sum(s) already paid by Us, which sum(s) would reduce the amount of Our unfulfilled liability in respect thereof); or
  - (ii) any lesser sum for which the claim(s) can be settled.
- (c) Upon making such payment, We shall relinquish conduct and control of, and be under no further liability under this Policy in connection with, such claim(s) except for defence costs and supplementary payments:
  - (i) recoverable from You in respect of the period prior to the date of such payment (whether or not pursuant to an order made subsequently); or
  - (ii) incurred by Us, or by You with Our written consent, prior to the date of such payment.

### Premium

#### Adjustment of premium

If the first premium or any renewal premium for this Policy or any part thereof shall have been calculated on estimates provided by You, You shall keep an accurate record containing all particulars relative thereto and shall at all reasonable times allow Us to inspect such record.

You shall, where requested by Us after the expiry of each Period of Cover, provide to Us such particulars and information as We may require as soon as reasonably practicable. The premium for such period shall thereupon be adjusted and any difference paid by or allowed to You, as the case may be, subject to retention by Us of any minimum premium that may have been agreed upon between Us and You at inception or the last renewal date of this Policy.

#### Cross liabilities

This insurance extends to indemnify:

1. each of the parties comprising the Named Insured, and
2. each of the Insureds hereunder, separately in the same manner and to a like extent as though policies had been issued in their separate names.

In particular, but without limiting the foregoing, this insurance shall indemnify each of the parties described

in clauses 1 and 2 of 'Cross liabilities' in respect of claims made by any other of such parties.

Provided always that:

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

### Inspection and audit

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

We may examine and audit Your books and records at any time during the currency of this Policy and within three (3) years after the final termination of this Policy but only with regard to matters which in Our opinion are relevant to this Policy.

### Release

Where You are required by contractual agreement to release any Government or Public or Local Authority or other Statutory Authority from liability for loss, destruction or damage or legal liability insured against under this Policy, such release is allowed without prejudice to this insurance.

Notwithstanding general condition 'Subrogation rights' of this Policy, We agree to waive all Our rights of subrogation against any such Authority in the event of any Occurrence for which a claim for indemnity may be made under this Policy.

## Employee Dishonesty cover section

### Words with special meaning

Some words have special meaning wherever they appear in this section. These words and their meanings are listed below:

#### Claim Documents

1. the documentation created in the preparation of, or evidencing, a claim; and
2. all records and documents that may assist Us to investigate:
  - (a) a claim; or
  - (b) a Loss; or
  - (c) Your right of recovery in consequence of a Loss;

including electronic records, computer records, video and audio recordings, working papers, internal memoranda, reports, accounting records and audit documents.

#### Employee

1. a person:
  - (a) employed by You under a contract of service; or
  - (b) assigned, by any agency whose business it is to furnish personnel, to perform Employee duties for You,  
  
in the ordinary course of Your Business, during the Period of Cover, and whom You have the right to direct in the detail of that person's performance of work;
2. a former Employee during a period of not more than 30 days following the cessation of that person's service;

(continued)  
Employee

3. a Group of Employees, which means:
- (a) two or more Employees acting in collusion;
  - (b) an Employee acting alone and also acting as a member of a Group of Employees;
  - (c) two or more Groups of Employees having an Employee in common,
- but Employee does not include:
- 1. a person who is not directly paid remuneration by You other than as described in 1(b) above; or
  - 2. a person who is one of Your directors or trustees, except when performing acts within the scope of the usual duties of an Employee; or
  - 3. a person who is a member of any committee that examines or audits or has custody of or access to Your money, negotiable instruments or goods.

**Limit of Indemnity**

the Limit of Indemnity of Employee Dishonesty insurance shown in the Schedule for all Losses during the Period of cover.

**Limit per Employee**

the Limit per Employee for Employee Dishonesty insurance, shown in the Schedule, in respect of any Loss or all Losses caused by an act or acts of the one Employee.

**Loss**

direct loss:

- 1. of:
  - (a) money;
  - (b) negotiable instruments; or
  - (c) goods;which belong to You, or are in Your possession and for the loss of which You are liable;
- 2. occurring in the ordinary course of Your Business;
- 3. caused directly by an act of fraud or dishonesty:
  - (a) of an Employee; and
  - (b) committed within twelve (12) months before discovery by You of the act of fraud or dishonesty, and
- 4. discovered by You:
  - (a) during the Period of cover; or
  - (b) if this Section is not renewed or is cancelled, within twelve (12) months after the Period of cover or the date of cancellation for this Section of the Policy;

but in either case no later than twelve (12) months after the cessation of employment of the relevant Employee, and does not include cover for any indirect or consequential loss whatsoever.

**What You are covered for**

- 1. After You have:
  - (a) provided to Us the Claim Documents; and
  - (b) made available to Us for interview all persons nominated by Us who in Our opinion will be helpful to assist Us to investigate Your claim or a Loss;

We will indemnify You against Loss.

2. The amount of the indemnity will be determined in accordance with the clauses under the heading How We will pay Your claim.

## Additional benefits to this section

### 1. Superannuation Funds

The meaning of You, Your, includes any superannuation or pension scheme formed by You and exclusively for the benefit of Employees, but does not include any scheme that is administered by a professional funds manager.

### 2. Welfare, Social or Sporting Club

The meaning of You, Your, includes any welfare, social or sporting club formed with Your knowledge and consent exclusively for the benefit of Employees and their families.

## How We will pay Your claim

1. Our total liability for all Losses and Claims Preparation Fees during the Period of Cover shall not exceed the Limit of Indemnity shown on the Schedule.
2. Our liability for all Losses relating to acts of fraud or dishonesty committed by one Employee, or any Group of Employees, or any number of Groups of Employees that contain one common Employee, will not exceed the Limit per Employee shown on the Schedule.
3. Our liability will be reduced by the sum of all moneys to which an Employee who caused a Loss would have been entitled, but which are retained by You or which You are entitled to retain.
4. We will be liable only for that part of the Loss that exceeds the Excess shown on the Schedule or on any endorsement to this Section.

## Exclusions applicable to employee dishonesty cover section

### We will not pay for any loss:

1. arising from an act committed by an Employee after You have knowledge of, or reasonable cause to suspect, the commission by the Employee of an act of fraud or dishonesty, unless if, when You first obtained the knowledge or reasonable cause for suspicion:
  - (a) the money, negotiable instruments or goods that are the subject of the Loss were in the possession of the Employee; and
  - (b) You immediately took all reasonable action to regain possession of the money, negotiable instruments or goods.
2. if the only proof of Loss is shortage revealed by accounting records or inventory stock-take

## Specific conditions applicable to this section

### 1. Notification of Loss

You must:

- (a) notify Us in writing within 21 days after discovery by You of Loss, or any act of fraud or dishonesty that may give rise to a Loss or after You first have reasonable cause for suspicion thereof; and
- (b) deliver to Us as soon as practicable, but no later than 3 months after the notice in (a), the Claim Documents and full details in writing of the Loss and of Your claim under this Section.

### 2. Observance of System of Audit, Supervision and Checks

You must observe the system of audit, supervision and checks which, in connection with this Section, You stated to Us that You observe.

### 3. Notification of Alteration of Risk

You must as soon as practicable notify us in writing of any change that will or might increase the risk, including:

- (a) a change in the nature of your Business;
- (b) Your non-observance of the system of audit, supervision and checks which, in connection with this Section, You stated to Us that You observe;

so that We may either cancel the Section or agree to the variation of its terms and conditions.

### 4. Prevention of Further Loss After Discovery

You must, immediately when You discover Loss, take all reasonable steps to regain possession of the money, negotiable instruments or goods and take all reasonable steps to prevent further Loss occurring.

### 5. Unidentifiable Employees

Where a Loss is caused by an unidentifiable Employee, cover is subject to You proving that the Loss was caused by fraud or dishonesty of an Employee and any cost incurred in proving this will be at Your expense and will not be payable under Additional Benefit Claims Preparation Fees.

### 6. Our Rights of Conduct and Recovery

- (a) We will, upon Your notice to Us of a Loss, have the right to recover the Loss and We will have full discretion in the recovery of the Loss;
- (b) You must not in any way prejudice Our right or ability to recover a Loss;
- (c) You must co-operate with Us fully in the recovery of a Loss.

## Machinery cover section

### Words with special meaning

Some words have special meaning wherever they appear in this section. These words and their meanings are listed below:

<b>Boilers, Pressure Vessels and Pressure Pipe Systems</b>	the permanent structure of those Insured Items which are subject to internal steam, gas or fluid pressure (other than atmospheric pressure) including all direct attachments connected to the permanent structure and includes with respect to Boilers the rotating, reciprocating or electrical apparatus attached to them.
<b>Dollar Excess</b>	the amount specified in the Policy Schedule that You shall first contribute towards each claim, arising out of the one occurrence.
<b>Excess</b>	for the purposes of this Section, the Excess may be a Dollar Excess or a Time Excess. We will subtract the applicable Excess from the claim otherwise payable and We will then pay to You the amount of loss or damage up to the applicable Sum Insured or Limit Any One Loss.
<b>Indemnity Period</b>	the period beginning with the occurrence of the Insured Damage and ending no later than the number of months specified in the Policy Schedule during which the results of the business shall be affected in consequence of the Insured Damage.
<b>Insured Damage</b>	sudden and unforeseen physical loss or destruction of or damage due to any cause not excluded to an Insured Item which You have selected to be insured under this section of Your Policy and which occurs at the Situation during the Period of Cover and which requires immediate repair or replacement to allow continuation of use.

<b>Insured Item</b>	any item specified in the current Policy Schedule.
<b>Limit Any One Loss</b>	the maximum amount We will pay for any one claim as specified in the Policy Schedule and applies where blanket cover has been selected.
<b>Plant and Machinery</b>	electrical and mechanical items including electronic and other integral parts of the Insured Items including Boilers, Pressure Vessels and Pressure Pipe Systems as defined above.
<b>Situation</b>	the Situation specified in the Policy Schedule.
<b>Sum Insured</b>	the relevant sum stated opposite each Insured Item as specified in the Policy Schedule and applies where 'specified items' cover has been selected.
<b>Time Excess</b>	the number of operating days specified in the Policy Schedule during which You must bear the loss.

### What You are covered for

If any Insured Item of Plant and Machinery or any part of an Insured Item of Plant and Machinery specified in the Policy Schedule suffers Insured Damage We will indemnify You in respect of such loss or damage as provided in the basis of settlement clause. This insurance applies whilst the Insured Item is within the Situation and working or at rest or being dismantled, moved, reassembled or reinstalled for the purpose of cleaning, adjustment, inspection, repair, overhaul or relocation but only after completion of successful initial commissioning at the Situation.

### Basis of settlement

1. In the event of Insured Damage under this section We will at Our option pay You, up to the Sum Insured or Limit Any One Loss (whichever is selected) less the applicable Excess, the reasonable cost of repair or replacement necessary to return the Insured Item to its former state of operation including:
  - (a) cost of dismantling, re-erection, cleaning up and removal of debris
  - (b) replacement of refrigerant, lubricating or insulating oil lost from an Insured Item as a direct result of Insured Damage
2. All Insured Damage which can be repaired must be repaired, however should the item be



uneconomical to repair due solely to the nature of the Insured Damage, settlement will be as follows:

- (a) The cost of replacement of the Insured Item by an item of similar function, type, capacity and quality in a condition equal to, but not better than, the condition of the Insured Item when new
- (b) The Sum Insured for the Insured Item.

We will pay the lesser of 2(a) and 2(b).

3. We shall not be required to replace the insured Item exactly, but only as circumstances permit, or the cost of replacement of the insured item of similar function, type, capacity and quality and in a condition equal to but not better than the condition of the insured item when new.
4. The value of any salvage will be subtracted from any amount payable under this section.
5. The amount of each claim otherwise payable shall be reduced by the amount of the Excess shown in the Policy Schedule.
6. Where components or manufacturer's specifications are no longer available due to obsolescence, the basis of settlement will be the cost which would have been incurred if the components or specifications had still been available.
7. Notwithstanding any other clause in this section Our liability under this section shall not exceed the Sum Insured in respect of the Insured Item which has suffered Insured Damage.

## What You are not covered for under this section

(In addition, the General exclusions apply.)

We will not pay for:

1. The cost of:
  - (a) replacement of expendable items such as belts, filters, fuses, electric heating elements, electrical contacts, thermostats, TX valves, cutting blades, crushing surfaces, parts made of glass, porcelain or ceramics, chains, seals, links, dies and moulds, conveyor belting, lubricants, fuel and any transfer media
  - (b) replacement of unserviceable component parts worn through normal machine operation
  - (c) adjustment, cleaning, purging or recharging of refrigeration or air conditioning equipment
  - (d) replacement of refractory or brickwork forming part of an Insured Item.  
unless necessary as part of the rectification of Insured Damage not otherwise excluded under this section.
2. The cost of:
  - (a) maintenance work including but not limited to the tightening of loose parts, recalibration or adjustments
  - (b) alteration, additions, improvements or overhauls whether carried out in the course of indemnifiable repairs or as a separate operation
  - (c) modification or alteration of insured plant to enable it to operate with a more ozone-friendly refrigerant gas as required by the UNEP (United Nations Environmental Protection) Montreal Protocol with respect to substances which deplete the ozone layer, unless conversion is necessitated by Insured Damage
  - (d) replacement or repair, caused by gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation)
  - (e) replacement of lighting equipment, reticulated electrical wiring, reticulated liquid and gas piping and ducting
  - (f) repair of scratches chipping or discolouration to painted or polished surfaces, unless resulting from Insured Damage
  - (g) repair of slowly developing deformation, distortion or fatigue of any part
  - (h) repair of blisters, laminations, flaws or grooving even when accompanied by leakage
  - (i) repairs to valves, fittings, glands, joints, gaskets, pipes, lines and connections which are defective or leaking
  - (j) repairs to shaft keys requiring tightening, fitting or renewal
  - (k) damage caused by the movement of foundations, masonry or brick work, or
  - (l) removal or installation of underground pumps and well casings. Unless specifically noted on the Policy Schedule, this exclusion does not apply to submersible pumps.
3. Consequential loss of any kind or description whatsoever.
4. Insured Damage to any item being moved, if caused by dual lifting.
5. Anything to the extent You are entitled to recover the costs of labour or parts under a maintenance agreement, warranty, guarantee or indemnity in

Your favour by the manufacturer of the relevant item or any other person.

6. Loss or damage caused by or arising from:
  - (a) fire, smoke or soot
  - (b) extinguishing a fire including subsequent demolition or repair work
  - (c) lightning
  - (d) chemical explosion (other than explosion of flue gas in Boilers)
  - (e) impact of land-borne Vehicle, Aircraft or Watercraft
  - (f) earthquake, subterranean fire or volcanic eruption
  - (g) landslip or subsidence
  - (h) storm, tempest, Flood, windstorm or cyclone
  - (i) water escaping, discharged or leaking from any source which is external to the Plant and Machinery insured
  - (j) theft or burglary
  - (k) intentional or malicious damage, or
  - (l) the carrying out of tests involving abnormal stresses, including the intentional overloading of any Insured Item.

## Additional benefits applying to this section

### Additional Costs Associated with Repair

In respect of each event resulting in a claim that is admitted under this section for breakdown of Plant and Machinery or explosion or collapse of Boilers, Pressure Vessels and Pressure Pipe Systems, We will pay the reasonable expenses necessarily incurred for:

- (a) temporary repairs;
- (b) hiring of substitute Plant and Machinery or Pressure Equipment;
- (c) overtime;
- (d) express freight including overseas air freight;

We will not be liable for:

1. the costs and expenses for specialists or consultants to travel to or from Australia;
2. air freight by aircraft specifically chartered for the purpose;
3. overtime charges that exceed fifty per cent (50%) of the cost of carrying out the repairs at ordinary rates;

4. breakdown of Plant and Machinery or explosion or collapse of Boilers, Pressure Vessels and Pressure Pipe Systems that have been hired or are on loan to You from a third party.

The most We will pay for any one event under this additional benefit is \$25,000 or fifty per cent (50%) of the total Sum Insured, whichever is the lesser.

### Additional items

If You hire or purchase and commission at Your Business Premises any items similar to items already insured under this section, We will consider these items to be added to the insurance by this section, giving the same cover as for similar items already insured. Provided that:

1. cover for additional items shall not exceed the total Sum Insured for the items already insured under this section.
2. You give Us written notice within 90 days of the hire or purchase and commissioning of the item(s) and pay the appropriate extra premium on a pro rata basis together with any applicable statutory charges.
3. the items are as far as You are aware, suitable for service, free from material defect and in sound working condition.
4. the items shall not be insured until successfully commissioned and all relevant statutory provisions for inspection and certification have been fulfilled.
5. the limits and Excess as shown on the Policy Schedule shall be the same as for similar items already insured.

### Repair costs

The cost of consulting engineers' fees (excluding fees for preparing a claim) necessarily incurred with Our written consent, in the reinstatement of Plant and Machinery and Electronic Plant. Provided that where the Sum Insured is exhausted We will pay an additional amount of up to \$5,000 in respect of this Additional benefit.

### Inflation Protection

The Sum Insured on items of Plant and Machinery shall at the time of loss be increased according to the consumer price index by the proportion which the number of days since the commencement of the Period of Cover shall bear to the whole of such period.

## Conditions applying to this section

### Conditions

#### 1. Newly installed items

At the end of each Period of Cover You shall furnish Us with details of any items newly installed or which have been deleted during the Period of Cover. Additional or return premiums shall be calculated corresponding to the type and value of the items and the Period of Cover from the time of completion of the successful commissioning of the items. Provided that Our liability for all additional items will not exceed fifty percent of the total Sum Insured or limit of liability as stated in the Policy Schedule.

#### 2. Inspection

You shall permit Us or Our representative at all reasonable times the right to inspect and examine any items insured by this insurance.

#### 3. Claims and repair procedure

(See also the General Policy condition headed 'Claims')

In the event of any Insured Damage which might give rise to a claim under this insurance You must preserve the parts affected and make them available for inspection by Us or Our representative.

#### 4. Upon notification of any loss or damage being given to Us, You may carry out repairs or make good any minor damage, but in all other cases You must give Us or Our representative an opportunity to inspect the loss or damage before any repairs or alterations are effected. If no inspection is carried out by Us or on Our behalf within a period of time which is reasonable having regard to the location of the risk, weather conditions and/or other relevant factors, You may proceed with such repairs or replacement.

#### 5. Nothing contained in this section or in any other condition of this insurance will relieve You of any obligation to take such steps as are necessary to ensure that the operation of the Insured Items is at all times carried out so as to minimise the risk of any claim being made under this insurance.

#### 6. Insurance cover will cease for any Insured Item which has sustained damage and is operated unless it has been repaired properly and without delay.

#### 7. You shall notify Us in writing of any intended alterations of or departure from normal working conditions which You know (or a reasonable person in the circumstances could be expected to know) would materially increase the risk.

## Special condition applying to this section

This insurance only applies after completion of successful initial commissioning.

## Optional extension to this section

### Deterioration of Stock in cold storage

(Applies where indicated on the Policy Schedule as being operative.)

#### 1. What You are covered for

We will indemnify You up to the Sum Insured for loss of or damage to the Stock as specified whilst contained in the cold storage spaces cooled by the Insured Items nominated in the Policy Schedule and caused by deterioration or putrefaction as a result of:

- (a) Insured Damage to the refrigeration machinery
- (b) operation of or failure to operate controls or protective devices within the refrigeration machinery; but this does not include loss caused by the manual operation or manual setting of controls or protective devices
- (c) contamination of the stored Stock by the accidental escape of refrigerant into the cold chamber
- (d) sudden leakage of refrigerant from the refrigeration machinery or pipe systems forming part of the refrigeration machinery occurring during the Period of Cover at the Situation, or
- (e) sudden and unforeseen failure of the public power supply.

Loss minimisation:

If deterioration occurs or is likely to occur to such Stock by any of the above causes 1(a), 1(b), 1(c), 1(d) or 1(e), We will pay any reasonable expenses incurred by You to prevent or minimise the loss of Stock.

#### 2. Basis of settlement

- (a) We will pay the cost of replacement of the lost or damaged Stock calculated immediately prior to the loss or damage occurring or the contracted price from Your usual customer, whichever is the higher. We will not pay more than the Sum Insured stated in the Policy Schedule for the Stock.
- (b) The amount of each claim otherwise payable shall be reduced by the amount of the Excess shown in the Policy Schedule.

### 3. What You are not covered for under this extension

We will not pay for:

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

### 4. Seasonal increase of cover

An increase of fifty percent (50%) in the limit of indemnity under this extension shall apply during the following periods:

- (a) eight (8) weeks prior to and including Christmas Day;
- (b) three (3) weeks after and including 26 December;
- (c) six (6) weeks prior to and including Easter Tuesday;
- (d) one (1) week after but not including Easter Tuesday;
- (e) six (6) weeks prior to and including any celebrated event of a festive, religious or ethnic nature (other than Christmas or Easter);
- (f) one (1) week after the same festive, religious or ethnic event or celebration.

Any other period shown on the current Policy Schedule, in lieu of the covers in (a) to (f) above.

## Electronic cover section

### Words with special meaning

Some words have special meaning wherever they appear in this cover section. These words and their meanings are listed below:

<b>Accidental Damage</b>	physical destruction, loss or damage to the Insured Item but does not include Damage caused by or as a consequence of: <ul style="list-style-type: none"><li>(a) Fire and Perils.</li><li>(b) Breakdown.</li><li>(c) Theft or conversion of any property hired out by You, by the hirer or by the employees or agents of the hirer of such property.</li><li>(d) Theft by trickery</li></ul>
<b>Breakdown</b>	sudden and unforeseen physical destruction, loss or damage resulting from electronic, electrical or mechanical failure of the Insured Item.
<b>Dollar Excess</b>	the amount specified in the Policy Schedule that You shall first contribute towards each claim, arising out of the one occurrence.
<b>Electronic Data</b>	means the information stored on the Electronic Data Media.
<b>Electronic Data Media</b>	the discs or tapes used in the computer to store the information.
<b>Electronic Plant</b>	all computers, word processors including all ancillary equipment attached thereto, Software, other electronic equipment and associated air conditioning equipment as specified in the Policy Schedule as Insured Items.
<b>Excess</b>	for the purposes of this section, the Excess may be a Dollar Excess or a Time Excess. We will subtract the applicable Excess from the claim otherwise payable and we will then pay to You the amount of loss or damage up to the applicable Sum Insured or Limit Any One Loss.

<b>Fire and Perils</b>	<p>physical destruction, loss or damage to the Insured Item resulting from:</p> <p>(a) fire, lightning, thunderbolt, spontaneous combustion, fermentation, heating or any process involving the application of heat;</p> <p>(b) civil authorities through attempts to prevent the spread of fire.</p> <p>(c) Aircraft or other aerial devices or articles dropped therefrom, sonic boom.</p> <p>(d) earthquake, subterranean fire, volcanic eruption, tsunami.</p> <p>(e) storm, tempest, rainwater, snow, sleet, wind, hail, Flood, action of the sea, tidal wave, high water.</p> <p>(f) water, liquids or substances discharged, overflowing or leaking from fixed apparatus, fixed appliances, fixed pipes or other systems.</p> <p>(g) riots, civil commotions, strikes or locked out workers or persons taking part in labour disturbances or vandalism by persons, or acts of any lawfully constituted authority in connection with the foregoing acts.</p> <p>(h) explosion.</p> <p>(i) impact.</p>	<b>Insured Damage</b>	<p>sudden and unforeseen physical loss or destruction of or damage due to any cause not excluded to an Insured Item which You have selected to be insured under this cover section of Your Policy and which occurs at the Situation during the Period of Cover and which requires immediate repair or replacement to allow continuation of use. Insured Damage is further limited to the Type of Cover shown in the Schedule for each Insured Item.</p>
		<b>Insured Item</b>	<p>any item specified in the current Policy Schedule.</p>
		<b>Limit Any One Loss</b>	<p>the maximum amount we will pay for any one claim as specified in the Policy Schedule and applies where blanket cover has been selected.</p>
		<b>Revenue</b>	<p>the total of:</p> <ol style="list-style-type: none"> <li>1. the amount paid or payable to You for goods sold and services rendered; and</li> <li>2. Gross Rentals; and</li> <li>3. all other sources of income received in the course of the Business; and</li> <li>4. the amount of closing stock and work in progress at the end of Your financial year;</li> </ol> <p>less:</p> <ol style="list-style-type: none"> <li>1. purchases of stock and consumables; and</li> <li>2. the amount of opening stock and work in progress at the beginning of Your financial year; and</li> <li>3. Uninsured Working Expenses.</li> </ol>
<b>Indemnity Period</b>	<p>the period beginning with the occurrence of the Insured Damage and ending no later than the number of months specified in the Policy Schedule during which the results of the business shall be affected in consequence of the Insured Damage.</p>	<b>Situation</b>	<p>the Situation specified in the Policy Schedule.</p>
		<b>Software</b>	<p>the collection of programs which cause a computer to perform a desired operation or series of operations.</p>
		<b>Standard Revenue</b>	<p>the Revenue earned within that period during the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period.*</p>

<b>Sum Insured</b>	the relevant sum stated opposite each Insured Item as specified in the Policy Schedule and applies where 'specified items' cover has been selected.
<b>Time Excess</b>	the number of operating days specified in the Policy Schedule during which You must bear the loss.
<b>Total New Replacement Value</b>	the installed price of new Electronic Plant of equivalent make and model and current manufacture.
<b>Type of Cover</b>	Fire and Perils and/or Accidental Damage and/or Breakdown as shown in the Schedule.

\* to which such adjustments will be made as may be necessary to provide for the trend of Your Business and for variations in or other circumstances affecting Your Business either before or after the Damage or which would have affected Your Business had the Damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage.

## What You are covered for

If any Insured Item of Electronic Plant or any part of an Insured Item of Electronic Plant specified in the Policy Schedule suffers Insured Damage, We will indemnify You, as provided in the basis of settlement clause, in respect of the Insured Damage indicated by the Type of Cover You have selected as stated on the Policy Schedule. Cover under this cover section applies while the Insured Item is:

- (a) working or at rest, and/or
- (b) being dismantled or moved for the purpose of cleaning, inspection, overhaul, repair or relocation or during such operations themselves or whilst being subsequently re-erected at the Situation
- (c) being moved to or from any service contractor away from the Business Premises but within Australia.

## Basis of settlement

1. In the event of Insured Damage to an Insured Item of Electronic Plant We will pay the cost of replacement or repairs necessary to return the Insured Item to its former state of operation including:
  - (a) cost of dismantling, re-erection, cleaning up and removal of debris
  - (b) any customs duties and dues.

2. No deduction will be made for depreciation of parts replaced except for valves, tubes (including picture and x-ray tubes) and light sources. We will deduct a proportion of the replacement cost of these items being the proportion which the period of use up to the time of failure bears to the normal service life expected by the manufacturer or supplier.
3. All Insured Damage which can be repaired, must be repaired, however, should the item be uneconomical to repair due solely to the nature of the Insured Damage, settlement will be the lesser of the Sum Insured for the Insured Item as stated in the Policy Schedule.
4. The value of any salvage will be subtracted from the amount payable under this clause.
5. If more than one Insured Item is lost or damaged in one occurrence, We will apply only the highest of the Excesses applicable to such Insured Items.
6. the amount of each claim otherwise payable shall be reduced by the amount of the Excess shown in the Policy Schedule.

## What You are not covered for under this cover section

We will not pay for:

1. Insured Damage to Electronic Data and Electronic Data Media, but subject to any extension selected by You
2. Insured Damage caused by atmospheric conditions, moisture or change in temperature unless directly resulting from damage to or malfunction of air conditioning equipment
3. The cost of:
  - (a) replacement of expendable items such as batteries, valves, x-ray and picture tubes, belts, chains, tapes, cards, ribbons, filters, tubes, electric heating elements or electrical contacts, or
  - (b) replacement of component parts worn through normal use or operation
 unless necessary as part of the rectification of Insured Damage not otherwise excluded under this cover section.
4. The cost of:
  - (a) maintenance work
  - (b) alterations, additions, improvements or overhauls whether carried out in the course of indemnifiable repairs or as a separate operation
  - (c) replacement or repair following gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation or

- (d) repairs of scratches to painted or polished surfaces unless resulting from Insured Damage,
- 5. anything to the extent You are entitled to recover the costs of labour or parts under a maintenance agreement or warranty, guarantee or indemnity in Your favour by the manufacturer of the relevant Insured Item or any other person.
- 6. Loss or damage caused by Computer viruses or other disruptive programming techniques
- 7. Consequential loss of any kind or description whatsoever.
- 8. Loss or damage to Electronic Data, including operating systems or application programs that is not accompanied by evidence of visible and identifiable physical destruction, loss or damage to the Electronic Data Media.

### Special conditions applying to this section

1. This insurance only applies after completion of successful initial commissioning.
2. Underinsurance  
In the event of Damage, We will not be liable for more than that proportion of the physical destruction, loss or damage which the Sum Insured bears to eighty per cent (80%) of the Total New Replacement Value of the insured Electronic Plant at the time of the Damage.  
Conditions:
  - (a) Our liability is limited to the Sum Insured at the Situation as shown in the Schedule.
  - (b) This clause will not apply if the amount of any Damage does not exceed ten per cent (10%) of the Sum Insured at the Situation.
  - (c) This clause does not apply to Breakdown.

### Electronic cover section Optional extensions

#### Electronic Data and Electronic Data Media

(Applies where indicated on the Policy Schedule as being operative.)

1. What You are covered for  
We will indemnify You for Insured Damage to the Electronic Data and Electronic Data Media insured under this extension as specified in the Policy Schedule caused solely as the result of Insured Damage covered under this cover section to an Insured Item which is specified in the Policy Schedule.  
We will extend cover under this cover section to include restoration of lost information which results from loss or damage to an Electronic Data processing system which is not owned by You

and which You are not responsible to insure but which is being used by You at the time the loss or damage to that system occurs in circumstances which would give rise to indemnity under this section if it was insured under this section.

2. Basis of settlement  
We will pay You for such Insured Damage up to the Sum Insured less the applicable Excess specified in the Policy Schedule including:
  - (a) the actual cost of replacement of lost or damaged Software and Electronic Data Media by new unused materials
  - (b) any expenses which can be proved to have been incurred by You only for the purpose of restoring the Electronic Data by reproduction of data or information in a condition equivalent to that existing prior to Insured Damage and necessary to allow operation of the Insured Item to continue in the normal manner. Lost Electronic Data may be reproduced in an updated form if the cost of doing so is no greater than that of reinstatement in the original form and provided:
    - (c) We shall only be liable for costs and expenses incurred within a period of twelve (12) months following the Insured Damage within the Period of Cover
    - (d) This extension only applies whilst the insured Electronic Data Media is:
      - (i) at the Situation
      - (ii) at a media storage Situation, or
      - (z) temporarily at an alternative Situation for processing purposes or in transit between any of these Situations.
    - (e) The amount of each claim otherwise payable shall be reduced by the amount of the Excess shown in the Policy Schedule.
3. What You are not covered for under this extension  
We will not pay for:
  - (a) Loss or distortion of Electronic Data contained on the Electronic Data Media while mounted in or on any machine for use or processing unless such loss or distortion occurs:
    - (i) at the Situation due to Insured Damage to an Insured Item which is specified in the Policy Schedule, or
    - (ii) at another Situation temporarily for processing purposes due to Insured Damage to the Insured Item which would be indemnifiable if the Insured Item were insured under this section

- (b) Loss or distortion caused by Computer virus
- (c) Wasting or wearing away or wearing out caused by or naturally resulting from ordinary use or working or gradual deterioration
- (d) Loss or damage caused by atmospheric conditions, moisture or changes in temperature unless directly resulting from damage to air-conditioning equipment which would be indemnifiable if the equipment were insured under this cover section
- (e) Consequential loss of any kind or description whatsoever
- (f) Work undertaken without Our approval other than for minor temporary or provisional repairs. There is no cover under this extension with respect to any Insured Item which has been operated without being satisfactorily repaired following Insured Damage.

4. Special condition – applying to Electronic Data and Electronic Data Media

It is a condition precedent to indemnity under this extension that You must have duplicate copies of updated file media stored off site at alternative premises.

**Additional increase in cost of working**

(Applies where indicated on the Policy Schedule as being operative.)

1. What You are covered for

- (a) We will indemnify You as set out in Basis of Settlement below up to the Sum Insured for any additional costs of operating Your Business directly resulting from interruption or interference to Your Business as defined in the Policy Schedule but only if:
  - (i) the interruption or interference is as a result of Insured Damage to an insured computer or word processor covered under this section, and
  - (ii) the interruption or interference is caused solely as a result of Insured Damage.

We will deduct from the amount payable by Us any sum saved during the period of the interruption in respect of charges and expenses of the business which may cease or be reduced as a result of the Insured Damage, including any such savings occurring by reason of the interruption of the normal operation of the electronic operation of the data processing system.

To the extent that the Sum Insured by this extension is not otherwise exhausted, We will also pay for reasonable professional fees of accountants or auditors and any necessary and reasonable expenses payable by You for preparation and proving of valid claims under this cover section.

2. Basis of settlement

- (a) We will pay You for the additional expenditure incurred over and above the normal expenses which would have been incurred by You for the operation of Your insured computer or word processor by the use of substitute equipment to maintain normal business operation during the interruption up to the Sum Insured specified in the Policy Schedule, less the applicable Excess including:
  - (i) the actual hire charges incurred for the rental of substitute equipment, and
  - (ii) the cost of additional personnel and transport expenses incurred with the use of the substitute equipment.
- (b) The Indemnity Period and the Time Excess shall commence upon the commencement of use of a substitute insured computer or word processor.
- (c) We shall be liable for additional expenditure incurred during the actual period of the interruption but not exceeding the period specified in the Policy Schedule as the Indemnity Period.
- (d) We will not be liable for loss, damage or costs incurred by You during the Time Excess.
- (e) The amount of each claim otherwise payable shall be reduced by the amount of the Excess shown in the Policy Schedule.

3. What You are not covered for under this extension

We will not pay for:

- (a) The costs incurred during:
  - (i) interruption due to the carrying out of alterations, additions or improvements to the insured computer or word processor
  - (ii) interruption due to the carrying out of cleaning, adjustment, inspection or maintenance of the insured computer or word processor, or
  - (iii) the extension of any interruption due to any measure, restriction or regulation imposed by any government, public or local authority.
- (b) Additional costs incurred where the period of interruption otherwise applicable is increased beyond four (4) weeks due to delay in the repair or replacement of items manufactured outside Australia where such delay results from:
  - (i) measures, restrictions or regulations imposed by any government, public or local authority



- (ii) the time required to procure replacement parts or complete items in overseas markets
- (iii) the time required to transport or ship component parts or complete items between the Situation and any overseas place of repair or replacement
- (iv) the time required to engage and transport overseas specialists or consultants to assist in or supervise local repairs.

4. Special condition – applying to Additional increase in cost of working

For the purpose of this extension only, Exclusion 5 of this section does not apply.

## Revenue

(Applies where indicated on the Policy Schedule as being operative.)

### 1. What You are covered for

If Your Business is interrupted or interfered with as a result of Insured Damage to Insured Items under this cover section, (occurring during the Period of Cover) for which a claim has been paid or liability admitted, or such claim would have been paid or liability admitted but for the application of a supplier's or manufacturer's warranty, hardware maintenance agreement, or Excess; We will, after taking into account any sum saved during the Indemnity Period in respect of such charges and expenses of Your Business as may cease or be reduced as a consequence of the interruption or interference, indemnify You in respect of Revenue.

### 2. Basis of settlement

- (a) We will pay You up to the Sum Insured less the applicable Excess specified in the Policy Schedule in respect of
  - (i) The amount by which the Revenue during the Indemnity Period as a consequence of the Breakdown falls short of the Standard Revenue; and
  - (ii) The additional expenditure necessarily and reasonably incurred by You for the sole purpose of minimising the reduction in Revenue during the Indemnity Period, but not exceeding the reduction in Revenue thereby avoided and not including the cost of reinstatement of Damage to Electronic Data and Electronic Data Media.

Provided that

- (iii) If, during the Indemnity Period, services are rendered elsewhere than at the Situation for the benefit of Your Business, either by You or by others on Your behalf, the money received or receivable in respect of those services will be brought into account

in arriving at the amount of the Revenue during the Indemnity Period.

- (iv) If the sum insured for Revenue is less than eighty percent (80%) of the Annual Revenue, the amount payable will be reduced so that we will be liable for no greater proportion of the loss under this item than that which the sum insured bears to eighty percent (80%) of the Annual Revenue.

This provision will not apply if Your claim is for less than 10% of the sum insured for Revenue.

## Additional benefits applying to Electronic cover section extensions

### 1. Additional Rental Charge

If, at the time of Damage to any Insured Item under this section for which a claim is payable, there is a lease or hire contract in force which is cancelled and replaced by a new contract in respect of a Electronic Plant similar to the one that was lost or Damaged, We will pay the additional rental charges incurred that result directly from Insured Damage.

- (a) The most We will pay under this additional benefit is twenty five per cent (25%) of the Sum Insured for 'Additional increased in cost of working' and loss of Revenue.
- (b) Our liability will cease when Your Business is no longer affected by the Insured Damage, or after a period of two years commencing from the time of the Damage, whichever shall first occur.
- (c) This additional benefit is only payable if the Sum Insured for 'Additional increased in cost of working' and Revenue is not otherwise exhausted.

### 2. Failure of Electricity

We will also pay in respect of interruption to or interference with Your Business as a result of failure of the public supply of electricity to the terminal point of the supplier's feed at the Situation, but excluding failure caused by:

- (a) a deliberate act of the electricity supplier, unless performed for the sole purpose of safeguarding life or protecting a part of the supplier's system.
- (b) a scheme of rationing, unless necessitated solely by physical damage to a part of the electricity supplier's system.
- (c) riot, strike, lock-out, or civil commotion unless arising solely out of damage to or destruction

of the electricity supplier's system (not being damage or destruction resulting solely from cessation of work).

### 3. Return Premium Clause

If the Revenue earned (as certified by Your accountants or auditors) during the financial year most nearly concurrent with the Period of Cover is less than the Sum Insured for Revenue, a pro rata return of premium not exceeding fifty per cent (50%) of the premium paid for such Period of Cover will be made in respect of the difference.

- (a) If a claim has been paid or became payable in the period for which an adjustment is to be made under this clause, the amount of the claim will be included in the calculation of Revenue earned for the period.
- (b) No return of premium will be allowed, unless You lodge the accountant's or auditor's certificate with Us within twelve (12) months of the Period of Cover for which the return of premium is claimed.

### 4. Breakdown of Essential Air-Conditioning Equipment

We will also pay in respect of interruption to or interference with Your Business as a result of the Breakdown of air-conditioning equipment, the operation of which is essential for the operation of Your Electronic Plant, but only if:

- (a) the equipment is insured under the Machinery cover section of this Policy; and
- (b) a claim has been paid or liability admitted, or such claim would have been admitted but for the application of an Excess.

### 5. Failure of Telecommunications Data Transmission Networks (hereinafter referred to as 'Failure').

Cover for 'Additional increased in cost of working' or loss of Revenue insured under this section is extended to include failure of telecommunications data transmission networks in Australia, which failure is not caused by a deliberate act of the telecommunications network, unless performed for the sole purpose of protecting a part of their equipment, but:

- (a) The insurance cover under this additional benefit is limited to a period of ten (10) days from the date of such failure;
- (b) We will not be liable in respect of any 'Additional increased in cost of working' of Revenue incurred during the first thirty six (36) hours immediately following such failure;
- (c) We will not be liable in respect of failure caused by riot, strike, lock-out, civil commotion, or vandalism, unless arising solely

out of physical destruction, loss or damage to the telecommunications data transmission networks (not being physical destruction, loss or damage resulting solely from cessation of work).

## Additional benefits applying to this section

### Additional Costs Associated with Repair

In respect of each event resulting in a claim admitted under this section for Breakdown We will pay, up to the Sum Insured specified in the Schedule against Additional Increase in Cost of Working, for the reasonable expenses necessarily incurred for:

- (a) temporary repairs;
- (b) hiring of substitute Electronic Plant;
- (c) overtime;
- (d) express freight including overseas air freight;

We will not be liable for:

1. the costs and expenses for specialists or consultants to travel to or from Australia;
2. air freight by aircraft specifically chartered for the purpose;
3. overtime charges that are fifty per cent or more higher than the labour cost of carrying out the repairs at ordinary rates;
4. Breakdown of Electronic Plant that has been hired or is on loan to You from a third party.

If no Sum Insured is specified in the Schedule against Additional Increase in Cost of Working, the most We will pay under this additional benefit for any one event is \$25,000 in total or fifty per cent (50%) of the total Sum Insured, whichever is the lesser.

### Additional items

If You hire or purchase and commission at Your Business Premises any items similar to items already insured under this cover section, We will consider these items to be added to the insurance by this section, giving the same cover as for similar items already insured. Provided that:

1. cover for additional items shall not exceed the total Sum Insured for the items already insured under this section.
2. You give Us written notice within 90 days of the hire or purchase and commissioning of the item(s) and pay the appropriate extra premium on a pro rata basis together with any applicable statutory charges.
3. the items are as far as You are aware, suitable for service, free from material defect and in sound working condition.

4. the items shall not be insured until successfully commissioned and all relevant statutory provisions for inspection and certification have been fulfilled.
5. the limits and Excess as shown on the Policy Schedule shall be the same as for similar items already insured.

### Repair costs

The cost of consulting engineers' fees (excluding fees for preparing a claim) necessarily incurred with Our written consent, in the reinstatement of Electronic Plant. Provided that where the Sum Insured is exhausted We will pay an additional amount of up to \$5,000 in respect of this Additional benefit.

### Inflation Protection

The Sum Insured on items of Electronic Plant shall at the time of loss be increased according to the consumer price index by the proportion which the number of days since the commencement of the Period of Cover shall bear to the whole of such period.

### Equipment on loan

Damage to items that You have on loan temporarily, to replace insured Electronic Plant. Cover on items on loan will be limited to the cover that would have applied to the item it replaced, excluding Breakdown.

The most We will pay for an item on loan is the Sum Insured on the item it replaced.

### Transit and temporary removal

Cover is extended to include Electronic Plant temporarily removed from the Situation to anywhere in Australia, but not:

- (a) whilst in storage or whilst being transported for storage or during permanent removal from the Situation.
- (b) if stolen from any unlocked vehicle.
- (c) whilst left unattended in the open air.
- (d) whilst in transit as checked baggage or cargo.

The most We will pay under this Additional Benefit is \$5,000 per event, unless otherwise specified in the Schedule.

## Optional benefit applying to the Electronic cover section

### Transit and temporary removal

For Electronic Plant that is indicated in the Schedule as having this optional benefit apply, cover is extended to include temporary removal from the Situation to anywhere in Australia (or worldwide if specified in the Schedule), but not:

- (a) whilst in storage or whilst being transported for storage or during permanent removal from the Situation.
- (b) if stolen from any unlocked vehicle.
- (c) whilst left unattended in the open air.
- (d) whilst in transit as checked baggage or cargo.

## Conditions and exclusions applying to this section

### Conditions

#### 1. Newly installed items

At the end of each Period of Cover You shall furnish Us with details of any items newly installed or which have been deleted during the Period of Cover. Additional or return premiums shall be calculated corresponding to the type and value of the items and the Period of Cover from the time of completion of the successful commissioning of the items. Provided that Our liability for all additional items will not exceed fifty percent of the total Sum Insured or limit of liability as stated in the Policy Schedule.

#### 2. Inspection

You shall permit Us or Our representative at all reasonable times the right to inspect and examine any items insured by this insurance.

#### 3. Claims and repair procedure

(See also the General Policy condition headed 'Claims')

In the event of any Insured Damage which might give rise to a claim under this insurance You must preserve the parts affected and make them available for inspection by Us or Our representative.

## General Property cover section

### Words with special meanings

In this Section:

**Accidental Damage** means Damage to the property described in the Schedule but does not include Damage caused by or as a consequence of:

1. Fire and Perils. Anything that is specifically excluded under Fire and Perils is also excluded from this cover.
2. Theft.
3. fraud or dishonest acts committed by any of Your employees, acting alone or in collusion with any other person or persons.
4. (a) unexplained inventory shortages or disappearances.  
(b) shortage in the supply or delivery of materials to or from You.  
(c) loss induced by trickery.
5. erosion, subsidence, landslide, collapse or any other movement of earth.
6. testing, intentional overloading or experiments of any kind.
7. faults or defects known to You or to any employee whose knowledge in law would be deemed to be Your knowledge and not disclosed to Us at the time this insurance was arranged, extended, varied, renewed, or reinstated.
8. welding, grinding, cutting, drilling or shaping, or the application of tools to the property.
9. inherent defect, inherent vice, latent defect, or disease.
10. mechanical, hydraulic, electrical or electronic breakdown, failure, malfunction or derangement of any nature.
11. fusion of any nature.
12. moths, termites, other insects, vermin, rust or oxidation, mould, mildew, fungus, Pollution or Contamination, wet or dry rot, corrosion, change of colour, dampness, variations in temperature, evaporation, change in flavour texture or finish, or stain or smoke from industrial operations.
13. wear and tear, fading, scratching or marring, gradual deterioration, developing flaws, normal upkeeping or making good.
14. error or omission in design, plan or specification or failure of design.
15. normal settling, seepage, shrinkage or expansion in buildings or foundations, walls, pavements, roads, and other structural improvements, creeping, heaving, vibration.

4. Upon notification of any loss or damage being given to Us, You may carry out repairs or make good any minor damage, but in all other cases You must give Us or Our representative an opportunity to inspect the loss or damage before any repairs or alterations are effected. If no inspection is carried out by Us or on Our behalf within a period of time which is reasonable having regard to the location of the risk, weather conditions and/or other relevant factors, You may proceed with such repairs or replacement.
5. Nothing contained in this section or in any other condition of this insurance will relieve You of any obligation to take such steps as are necessary to ensure that the operation of the Insured Items is at all times carried out so as to minimise the risk of any claim being made under this insurance.
6. Insurance cover will cease for any Insured Item which has sustained damage and is operated unless it has been repaired properly and without delay.
7. You shall notify Us in writing of any intended alterations of or departure from normal working conditions which You know (or a reasonable person in the circumstances could be expected to know) would materially increase the risk.

16. faulty materials or faulty workmanship.
17. the cessation of work whether total or partial, or the cessation, interruption, or retarding, of any process or operation as a result of any industrial dispute.

The above exclusions 7, 8, 10, 11, 12, 13, 15, and 16 of this cover shall be limited to the item, appliance, unit, or machine immediately affected and shall not extend to damage to other property occasioned by a peril not otherwise excluded.

**Business Hours** means Your normal trading hours or whilst You or employees authorised by You, are on the Premises for the purposes of the Business.

**Fire and Perils** means

1. (a) fire resulting from explosion or otherwise, but excluding spontaneous combustion, fermentation, heating or any process involving the direct application of heat. This exclusion shall be limited to the item or items immediately affected and shall not extend to other property Damaged as a result of such spontaneous combustion, fermentation, heating or process involving the direct application of heat.
  - (b) lightning or thunderbolt.
  - (c) attempts by civil authorities to prevent the spread of fire.
2. impact by aircraft or other aerial devices or articles dropped therefrom, sonic boom.
3. earthquake, subterranean fire, volcanic eruption, tsunami.
4. storm, tempest, rainwater, wind, hail but not Damage caused:
  - (a) by water from or action of the sea, tidal wave, storm surge, high water, Flood.
  - (b) to gates, fences, retaining walls, shadecloth, exterior textile awnings or blinds.
  - (c) to property in the open air unless such property is a permanent structure designed to function without the protection of walls or roof.
  - (d) by erosion, subsidence, landslide or any other movement of earth.
  - (e) from water seeping, percolating or otherwise penetrating into the building as a result of structural defects, faulty design or faulty workmanship in their construction.
  - (f) by water entering the buildings through an opening in the wall or roof made for the purpose of alterations, additions, renovations, or repair.

5. water, liquids or substances discharged, overflowing or leaking from fixed apparatus, fixed appliances, fixed pipes or other systems.
6. riots, civil commotions, strikes or locked out workers or persons taking part in labour disturbances or whereby Damage occurs as a result of vandalism by persons not being tenants (including Damage to, but not loss of property caused by Theft or any attempt thereat) or any lawfully constituted authority in connection with the foregoing acts but not by:
  - (a) cessation of work whether total or partial;
  - (b) cessation, interruption or retarding of any process or operation as a direct result of strikes, labour disturbances or locked out workers.
7. explosion but not Damage to boilers (other than boilers used for domestic purposes only), economisers, vessels under pressure or their contents resulting from their own explosion.
8. impact by:
  - (a) vehicles designed primarily for use on land.
  - (b) animals, but not Damage by eating, chewing, clawing or pecking by animals or birds.
  - (c) trees or branches of trees. This cover includes the reasonable costs associated with the removal and disposal of the tree or branches that caused the Damage.
  - (d) communication masts, towers, antennae or satellite dishes.
  - (e) Watercraft.
  - (f) Aircraft and other aerial devices.
  - (g) meteorites and other space debris.
  - (h) a falling building or other structure or part thereof.

**Property Insured** means the property shown in the Schedule under this Section.

## What You are covered for

We cover You for physical loss of or damage to the property described in the Schedule caused by any event stated in the Schedule as Type of Cover. Cover is provided anywhere within Australia where You conduct Business including whilst in transit, unless otherwise specified in the schedule.

In respect of Theft, cover is limited to:

1. Theft or attempted Theft consequent upon actual forcible and violent entry; or

2. Theft or attempted Theft occurring outside Business Hours, by a person having been feloniously concealed on the premises, provided that there is evidence of forcible and violent exit from the premises; or
3. Theft consequent upon threat of immediate violence or violent intimidation.

## Limitation

Our total liability during any one Period of Insurance, will not exceed, in respect of each item, the Sum Insured shown in the Schedule for that item.

## Additional benefit applicable to the General Property cover section

### Theft (limited) without forcible and violent entry

Loss or damage by theft or attempted theft of General Property other than stock and customers' goods occurring during the period of cover from the Business Premises without actual forcible and violent entry but excluding theft or attempted theft from any open-sided structure such as, but not limited to verandas or yards or other open spaces even if they are partially or fully enclosed. This additional benefit does not cover loss as a result of unexplained disappearance, unexplained or inventory shortage, clerical or accounting errors or shortage in supply or delivery to or from the business premises. A sub-limit of \$2,000 per occurrence applies to this additional benefit.

## Optional Benefits applicable to the General Property cover section

### Cover only applies if shown in the Schedule

#### 1. Worldwide Cover

Exclusion 3 is deleted.

#### 2. Theft of property located in the open air

Exclusion 1 is deleted.

#### 3. Theft without forcible or violent entry

Insurance under this Section in respect of property specified in the Schedule against which this Variation and Extension is shown to apply, is extended to include Theft without forcible or violent entry.

#### 4. Accidental Damage due to Collision or Overturning

The Definition of Accidental Damage is restricted to destruction, loss or Damage resulting from collision or overturning of a vehicle in which the property is being conveyed.

## How We will pay Your claim

We will at our option either

1. pay You the replacement cost of the General Property at the time of the loss or damage, or
2. repair the General Property to a condition equal to but not better or more extensive than its condition when new, or
3. replace the General Property with a new item that has the same features that are nearly the same as (but not less than) the item being replaced.

### Conditions:

1. The work of replacing or repairing must be commenced and carried out with due diligence, failing which We will not be liable to pay more than the amount We would have been liable to pay had the work of replacing or repairing the property been carried out with such due diligence.
2. If the property is not replaced or repaired We will not pay more than the Indemnity Value of the property.
3. We will not be liable to make any payment beyond the Indemnity Value of the property concerned until the cost of replacement or repair is actually incurred.
4. Where property is Damaged in part only, Our liability will not exceed the sum representing the replacement cost which We would have been called upon to pay if the property had been wholly destroyed.

## What You are not covered for under this section

We will not be liable for:

1. Theft of property:
  - (a) from a vehicle that is unlocked and unattended; or
  - (b) located in the open air.
2. destruction, loss or Damage due to, or sustained by or through Theft or any attempted Theft, or any act of fraud or dishonesty committed by any:
  - (a) members of Your family; or
  - (b) person or persons in Your service, other than loss or destruction or Damage due to, or sustained by, or through Theft or any attempted Theft following forcible and violent entry to the premises committed by any person or persons in Your service.
3. destruction, loss or Damage occurring outside Australia.
4. destruction, loss or Damage arising from detention, confiscation, destruction or requisition by any lawfully constituted authority other than as provided for in the definition of Fire and Perils.

5. destruction, loss or Damage arising from unexplained inventory shortages or disappearances resulting from clerical or accounting errors, or shortage in the supply or delivery of materials to or from You.
6. any consequential loss whatsoever.
7. destruction, loss or Damage as a result of trickery.
8. a claim where the Situation becomes unattended and remains so for any period of more than ninety (90) consecutive days, unless Our written agreement to continue cover has been obtained.
9. loss of or Damage to data, including operating systems or application programs, that is not accompanied by evidence of visible and identifiable physical destruction, loss or Damage to the data carrying media.
10. destruction, loss or damage caused by the gaining of access by any person other than You or Your employees to Your computer system via data communication media.
11. destruction, loss or Damage caused by Computer Virus.

## Claims Procedure

Please refer to the Claims Procedure in the General Provisions of this Policy for details of Your obligations in the event of a claim.

## Taxation Investigation cover section

### Words with special meaning

Some words have special meaning wherever they appear in this section. These words and their meanings are listed below:

**Accountant or Registered Tax Agent** a person recognised by either the Institute of Chartered Accountants or the Australian Society of Accountants, or any other person registered by the Australian Taxation Office as a tax agent, engaged by You for the purpose of preparing, or supervising the preparation of, or reviewing prior to dispatch, all returns and statements required by the Australian Taxation Office, in respect of Your liability to pay tax, but does not mean You, or a person working for You under a contract of employment.

**Costs** fees, charges and disbursements of an Accountant or Registered Tax Agent or any other external professional person or consultant engaged by or replacing the Accountant or Registered Tax Agent, for work undertaken in connection with the audit or investigation.

### What You are covered for

If You or any person on Your behalf has during the Period of Cover, first received notification from the Australian Taxation Office relating to:

1. the conduct of a taxation audit; or
2. a detailed and in depth investigation

relating to Your liability to pay income tax, fringe benefits tax, capital gains tax, A New Tax System (Goods and Services Tax), payroll tax, superannuation payments tax, termination payments tax, or sales tax (including the amount of any such tax), in respect of Your Business, We will indemnify You for the necessary Costs which You reasonably incur up to the completion of the audit or investigation.

### How We will pay Your claim

1. Our total liability in respect of any one audit or investigation will not exceed the sum insured shown in the Schedule.

2. Our total liability in respect of all audits or investigations for which notice was first received during the Period of Cover will not exceed the sum insured shown in the Schedule.

Provided that in the event of a claim arising:

1. You must at all times keep Us fully and continually informed of all material developments in relation to the claim and in relation to any investigation or audit and You must take all steps necessary and reasonable to minimise any delays and the amount of any Costs incurred, or likely to be incurred, in connection with any investigation or audit.
2. We or Our duly appointed agent may conduct Our own investigation into any matter that is or may be the subject of a claim under this section.
3. We shall have direct access to Your Accountants or Registered Tax Agents or lawyers at all times and You and they must co-operate fully with Us in this regard.
4. at Our request You shall instruct all Accountants or Registered Tax Agents, lawyers, or other persons or organisations engaged by You, and all of Your employees, to produce to Us, without delay, any documents or information or advice in Your possessions or in their possession that We shall require in connection with any claim.
5. You and all Accountants, Registered Tax Agents or lawyers engaged by You shall assist Us with any matter that We wish to pursue directly with the Australian Taxation Office which is or may be the subject of a claim under this Section.

### **What You are not covered for under this section**

We will not be liable for Costs:

1. in respect of, arising out of, or relating to:
  - (a) any improper, unwarranted or unjustified refusal or failure to comply with any request made by or on behalf of the Australian Taxation Office for the production of documents or the furnishing of information.  
Refusal or failure to comply will not be deemed to be improper, unwarranted or unjustified if You are presented with an authorisation in terms of Section 263 of the Income Tax Assessment Act 1936 or a notice in terms of Section 264 of the Income Tax Assessment Act 1936 or any other notice under any other relevant legislation, and acting upon the advice of the Accountant or Registered Tax Agent engaged by You, You refuse or fail to comply.

- (b) inquiries from the Australian Taxation Office that are not related to an identified intention to conduct an audit or are not directed at obtaining information or data in respect of a likely future audit.
- (c) matters arising under customs legislation.
- (d) audits or investigations, notice of which or information as to their likely conduct, was received by You or by any person acting on Your behalf prior to the Period of Cover. Receipt of such notice or information will have occurred where the Australian Taxation Office makes communication with You or with any person acting on Your behalf.
- (e) any audit or investigation concerning income earned, or where the source of income is, outside Australia and its external territories, or where the services giving rise to the claim are performed by persons or firms ordinarily resident outside Australia.
- (f) any fraudulent act or fraudulent omission committed by You, or on Your behalf, or any statement made by You, or on Your behalf that is false or misleading in a material particular and where the reason for such statement can be attributed to deliberate evasion, recklessness or carelessness by You or on Your behalf. This Exclusion will not apply where a false or misleading statement results from You being misled by the Australian Taxation Office, and where You did not and could not be expected to know that a statement was false or misleading.
- (g) the imposition of or the seeking to impose any tax, penalty tax, costs, interest or any fine.
- (h) a return of income that has not been prepared or reviewed prior to dispatch by the Accountant or Registered Tax Agent, but this exclusion does not apply to a return that is:
  - (1) a prescribed sales tax return.
  - (2) in respect of income derived from:
    - (a) a contract of employment or service between You and a third party (not being income from a company employing You where You are a director of such company or have a financial interest in that company).
    - (b) any superannuation, pension or like benefit received by You.
    - (c) personal investments made by or for You and upon which You are not wholly or mainly dependent for support, being income supplementary to that referred to in 1(h)(2)(a) and 1(h)(2)(b) above.



- (i) Your failure to pay all taxes by due date or within any extension of time granted by the Australian Taxation Office.
  - (j) in respect of any audit or investigation that results from You, or any person acting on Your behalf, becoming aware of any error or deficiency in any information, return of income or other documentation furnished to the Australian Taxation Office and choosing not to notify the Australian Taxation Office without delay.
2. any outside Accountant or Registered Tax Agent or any other outside professional person or consultant engaged by or replacing the Accountant or Registered Tax Agent engaged by You, unless We have given Our prior approval to the appointment of such person or consultant.
  3. which relate to any subsequent objection lodged with the Australian Taxation Office, the Administrative Appeals Tribunal, or the Federal or High Courts in respect of the audit.
  4. incurred after the audit or investigation has been completed.
  5. incurred as a result of Your delay in responding to the Australian Taxation Office.

### **Special conditions applicable to this section**

1. All taxation and other returns must be submitted within the time limits prescribed by all relevant statutes and regulations or as required by or on behalf of the Australian Taxation Office or within the extensions of time granted by the Australian Taxation Office.
2. You must make full and complete disclosure of all assessable income (including capital gains) as required by any relevant legislation and You must not omit from any such disclosure any matter or thing without which the disclosure is misleading in a material particular.
3. All taxes must be paid by the due date or within any extension granted by the Australian Taxation Office.
4. You must immediately notify Us in writing of any circumstances that give rise to, or are likely to give rise to, a claim immediately after You become aware of them.
5. All correspondence, requests and inquiries from the Australian Taxation Office must be dealt with within a reasonable time.





## Contact details

### **Sydney**

388 George Street  
Sydney NSW 2000  
Tel (02) 8224 4000

### **Melbourne**

181 William Street  
Melbourne VIC 3000  
Tel (03) 9601 8222

### **Brisbane**

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South Bank QLD 4101  
Tel (07) 3135 1900

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### **Adelaide**

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Adelaide SA 5000  
Tel (08) 8405 6300

### **Hobart**

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188 Collins Street  
Hobart TAS 7000  
Tel (03) 6224 2073

### **Perth**

46 Colin Street  
West Perth WA 6005  
Tel (08) 9254 3600