

Business

Commercial/Retail/Industrial

Insurance Policy

Product Disclosure Statement

This Product Disclosure Statement contains the Business Insurance Policy terms and conditions.

You should read all sections of this Product Disclosure Statement before making a decision to acquire this financial product.

Issued by Elders Insurance (Underwriting Agency) Pty Limited
ABN 56 138 879 026 AFS Licence 340965

Underwritten by QBE Insurance (Australia) Limited
ABN 78 003 191 035 AFS Licence 239545



Insurance

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In an uncertain world, it's good to know there's someone committed to protecting you. In this booklet you'll find our commitment described in detail. By taking the time to read these pages you'll know exactly what you're covered for, what you can expect from us and what we expect of you.

You'll also learn what to do if you need to make a claim, so we promise it'll be time well spent.

About this booklet

There are two parts to this booklet. The first part is Important Information about this Policy including information about how we'll protect your privacy and how to make a complaint or access our dispute resolution service.

The second part is your Policy Wording which sets out the detailed terms, conditions and exclusions of the Policy.

Because we don't know your own personal circumstances, you should treat any advice in this booklet as purely general in nature. It doesn't consider your objectives, financial situation or needs. You should carefully consider the information provided with regard to your personal circumstances to decide if it's right for you.

This booklet is also a Product Disclosure Statement (PDS). Other documents you receive may comprise the PDS. You'll know when this happens because it'll say so in the document.

We may need to update information in this PDS. If we need to do this, we'll either send you a new PDS or a supplementary PDS. You can also get a copy of these simply by calling us.

For more information or to make a claim

Please take the time to read through this booklet and if you have any questions, need more information or to confirm a transaction, please contact:

- your Elders Insurance authorised representative. The contact details for your Elders Insurance authorised representative are set out in the financial services guide and other documentation they give you.

Full details of what you must do for us to consider your claim are provided in the 'Claims' section at the end of this booklet. To make a claim under this Policy please contact:

- your Elders Insurance authorised representative.

We will only accept responsibility for repairs or payments to third parties under a claim where you have told us about them beforehand and we have accepted your claim.

About QBE Australia

QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545 is a member of the QBE Insurance Group Limited ABN 28 008 485 014 (ASX: QBE). QBE Insurance Group is Australia's largest international general insurance and reinsurance group, and one of the largest insurers and reinsurers in the world.

About Elders Insurance

This Policy is issued by Elders Insurance (Underwriting Agency) Pty Limited ('Elders Insurance') ABN 56 138 879 026, AFS Licence 340965 of 400 King William Street, Adelaide. Elders Insurance has entered into an arrangement with QBE enabling Elders Insurance authorised representatives to distribute QBE products.

The address and telephone number of your Elders Insurance authorised representative is in your Policy Schedule.

Important information

The information provided in this section includes high level information about this Policy including your duty of disclosure, privacy, how to make a claim, our dispute resolution process and other relevant information. This section may also set out other information such as options in cover you can choose from, factors that affect the cost and any cooling off rights.

The Policy Wording section sets out the detailed terms, conditions and exclusions relating to the insurance.

If we issue you with a 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 Wording.

The Policy Wording and Policy Schedule form your legal contract with us so please keep them in a safe place for future reference. You should check the Policy Schedule, or renewal schedule if you are issued one, when you receive it to ensure it accurately states what you have insured.

Duty of disclosure

Before you enter into an eligible contract of insurance with us, you have a duty of disclosure under the *Insurance Contracts Act 1984* (Cth).

We may ask you questions that are relevant to our decision to insure you and on what terms. If we do, you must tell us anything that you know and that a reasonable person in the circumstances would include in their answer.

You have this duty until we agree to insure you.

If you do not tell us something

If you do not tell us anything you are required to, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

Significant benefits and features

This Policy provides a convenient way of protecting your major business assets and liability under one (1) insurance policy. You can select from the areas of cover and for an appropriate sum insured to suit your business needs.

The table below provides a summary of the key types of cover available under this Policy. For full details of the cover provided, including any exclusions or conditions that may apply, please refer to the Policy Wording.

Your Policy Schedule will show the cover and options you have chosen.

Type of cover	Short description	Page No.
Property	Fire and other insured events up to the limit you select for physical loss or damage to buildings and contents.	page 10
Business interruption	Loss of gross or weekly income up to the limit selected, for losses caused by the loss or damage to property insured under property, money, theft, glass or general property sections.	page 16
Theft	Loss or damage resulting from theft of property up to the limit specified.	page 20
Money	Cover for loss of or damage to money belonging to you and connected with your business.	page 21

Type of cover	Short description	Page No.
Machinery breakdown	For items shown in your Policy Schedule suffering insured damage.	page 22
Electrical equipment	Covers an insured item of electrical plant or any part of an item shown in your Policy Schedule which suffers insured damage.	page 25
Broadform liability	All sums you become legally liable for in respect of personal injury or property damage and caused by an occurrence in connection with your business.	page 27
Glass	Cover for internal and external glass as shown in your Policy Schedule.	page 42
General property	Covers insured items for the insured loss.	page 43
Employee dishonesty	Cover provided for loss of money or contents caused by theft, fraud or dishonesty by any of your employees.	page 44
Tax audit	Cover for the fees payable by you to an accountant in connection with an audit of your business pursuant to a State or Federal Tax audit.	page 44
Transit	Cover up to the limit shown on the Policy Schedule for loss or damage to goods belonging to your business or for which you are legally responsible, whilst in transit by road anywhere in Australia in or on a motor vehicle or trailer owned or operated by you.	page 45
Statutory liability	Provides cover for fines and defence costs from Work Health and Safety Legislation and defence costs arising out pollution actions against you.	page 46
Employment practices	Cover for fines and defence costs by claims made by or on behalf of your employees.	page 48
Motor vehicle	Cover for motor vehicles owned by you and used in your business or by directors and their families for personal use.	page 50

Each of the sections listed in the table above is subject to specific definitions, the basis of cover and specific exclusions. In addition, there are general exclusions and conditions that apply to all sections of the Policy.

Significant risks

This product may not match your expectation

This product may not match your expectations (for example, because an exclusion applies). You should read both the important information and the Policy Wording carefully. Please ask your Elders Insurance authorised representative if you are unsure about any aspect of this Policy.

Your sum insured may not be adequate

To ensure that the amount of insurance is adequate in the event of a claim, you should establish an adequate sum insured when initially arranging cover and also take care to amend the sum insured when your situation changes.

Full insurance – protect your assets

If you have elected to insure your building and contents for reinstatement and replacement costs (excluding stock), the sum insured should represent the full replacement value at new costs

and if this is not done losses may not be paid in full. It is your responsibility to ensure adequacy of sums insured and you should re-assess these sums insured during the currency of the Policy and prior to renewal each year.

The cost of this Policy

Premium is what you pay us for this Policy and it's made up of the amount we've calculated for the risk and any taxes and government charges.

When calculating your premium we take a number of factors into account, including:

1. the type of business you operate and which sections you elect to take cover under and the sum insured that is relevant to your business. In addition, your claims history may also impact the premium;
2. if you elect to have a higher or lower excess where this is an option.
3. for the motor vehicle section, the type of motor vehicles and the age and experience of the drivers may impact the premium.

Cooling-off information

If you change your mind within 21 days of buying your Policy, you can cancel it and receive a full refund. Naturally, this doesn't apply if you've made or are entitled to make a claim. Even after the cooling off period ends, you still have the right to cancel your Policy. However, we may deduct some costs from any refund, as set out in the Policy Wording under 'Cancelling your Policy'.

To cancel your Policy within the cooling-off period, contact your Elders Insurance authorised representative electronically or in writing.

The General Insurance Code of Practice

QBE Australia is a signatory to the General Insurance Code of Practice.

The Code aims to:

- Commit us to high standards of service
- Promote better, more informed relations between us and you
- Maintain and promote trust and confidence in the general insurance industry
- Provide fair and effective mechanisms for the resolution of complaints and disputes between us and you
- Promote continuous improvement of the general insurance industry through education and training.

Privacy

We'll collect personal information when you deal with us, our agents, other companies in the QBE group or suppliers acting on our behalf. We use your personal information so we can do business with you, which includes issuing and administering our products and services and processing claims. Sometimes we might send your personal information overseas. The locations we send it to can vary but include the Philippines, India, Ireland, the UK, the US, China and countries within the European Union.

Our Privacy Policy describes in detail where and from whom we collect personal information, as well as where we store it and the full list of ways we could use it. To get a free copy of it please visit qbe.com.au/privacy or contact QBE Customer Care.

It's up to you to decide whether to give us your personal information, but without it we might not be able to do business with you, including not paying your claim.

Resolving complaints & disputes

At QBE we're committed to providing you with quality products and delivering the highest level of service.

We also do everything we can to safeguard your privacy and the confidentiality of your personal information.

Something not right?

We know sometimes there might be something you're not totally happy about, whether it be about our staff, representatives, products, services or how we've handled your personal information.

Step 1 – Talk to us

If there's something you'd like to talk to us about, or if you'd like to make a complaint, speak to one of our staff. When you make your complaint please provide as much information as possible. They're ready to help resolve your issue.

You can also contact our Customer Care Unit directly to make your complaint. Our aim is to resolve all complaints within 15 business days.

Step 2 – Escalate your complaint

If we haven't responded to your complaint within 15 days, or if you're not happy with how we've tried to resolve it, you can ask for your complaint to be escalated for an Internal Dispute Resolution (IDR) review by a Dispute Resolution Specialist.

The Dispute Resolution Specialist will provide QBE's final decision within 15 business days of your complaint being escalated, unless they've requested and you've agreed to give us more time.

Step 3 – Still not resolved?

If you're not happy with the final decision, or if we've taken more than 45 days to respond to you from the date you first made your complaint, you can contact the Australian Financial Complaints Authority (AFCA). AFCA is an ASIC approved external dispute resolution body.

AFCA resolves insurance disputes between consumers and insurers, at no cost to you. QBE is bound by AFCA decisions - but you're not. You can contact AFCA directly and they'll advise you if your dispute falls within their Rules.

Disputes not covered by the AFCA Rules

If your dispute doesn't fall within the AFCA Rules, and you're not satisfied with our decision then you may wish to seek independent legal advice.

Privacy complaints

If you're not satisfied with our final decision and it relates to your privacy or how we've handled your personal information, you can contact the Office of the Australian Information Commissioner (OAIC).

Contacting QBE's CCU, AFCA or the OAIC

How to contact QBE Customer Care

Phone	1300 650 503 (Monday to Friday from 9am to 5pm, Sydney time, except on public holidays). Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Email	<ul style="list-style-type: none"> complaints@qbe.com, to make a complaint. privacy@qbe.com, to contact us about privacy or your personal information. customercare@qbe.com, to give feedback or pay a compliment.
Post	Customer Care, GPO Box 219, Parramatta NSW 2124

How to contact AFCA

Phone	1800 931 678 (free call)
Email	info@afca.org.au
Online	www.afca.org.au
Post	Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

How to contact the OAIC

Phone	1300 363 992 Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Email	enquiries@oaic.gov.au
Online	www.oaic.gov.au

Financial claims scheme

Your Policy is a protected policy under the Financial Claims Scheme (FCS), which protects certain insureds and claimants in the event of an insurer becoming insolvent. In the unlikely event of QBE becoming insolvent you may be entitled to access the FCS, provided you meet the eligibility criteria.

More information may be obtained from the Australian Prudential Regulation Authority (APRA).

How to contact APRA

Phone	1300 558 849. Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Online	www.fcs.gov.au

Policy Wording

This Policy is underwritten by QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545.

Our agreement

Your Policy is an agreement between you and us, made up of:

- This Policy Wording
- Your Policy Schedule, which sets out the cover you've chosen and any terms specific to you.

The cover under this Policy is provided during the period of insurance, once you've paid us your premium. There are also:

- Conditions and exclusions which apply to specific covers or sections;
- General exclusions, which apply to any claim you make under this Policy;
- General conditions, which set out your responsibilities under this Policy;
- Claims conditions, which set out our rights and your responsibilities when you make a claim; and
- Other terms, which set out how this Policy operates.

Excesses

You must pay any excesses which apply to your claim. The excesses which you have to pay are set out in this Policy Wording or on your Policy Schedule.

How much we'll pay

The most we'll pay for a claim is the sum insured which applies to the cover or section you're claiming under, less any excess.

Paying your premium

Your premium and the date it's due are shown on your Policy Schedule.

Annual premium

If you pay your premium annually, and it's not paid by the due date or if your payment is dishonoured, this Policy won't operate and there'll be no cover.

Instalment payments

If you pay your premium by instalment, your Policy Schedule will show the date and frequency of your instalments. If your direct debit details change you must tell us no later than seven days before your next instalment is due.

At renewal

If you pay by instalments, and renew your Policy, we'll continue to deduct instalments for a renewed Policy at the new premium level according to the same instalment pattern, unless you tell us to stop your direct debit.

What happens if you miss an instalment

If you miss an instalment we'll contact you to ask you to pay it or arrange to collect it from you. If you don't pay the missed instalment your Policy may be cancelled and we'll write to you to let you know when this will happen.

If you don't pay the missed instalment and a claim arises, then we may refuse to pay your claim.

If your payment details change

If your direct debit details change, such as you changing credit cards or bank accounts, you must tell us at least seven days before your next payment date.

Adjustment of premium on renewal

If we agree to renew your Policy and you claim for an incident that happened during a previous period of insurance, you must tell us about it. You agree to pay us any additional premium increase we'd have required you to pay if you'd told us about the claim before your Policy was renewed.

This condition doesn't affect any other rights we have at law or under this Policy.

Words with special meaning

The words and terms used throughout this Policy have special meanings set out below.

Where other words and terms are only used in one section of the Policy, we'll describe their special meaning in that section.

Word or term	Meaning
Application	The information as advised by you to us, either in writing, verbally or by electronic means, as part of your application for insurance provided by the Policy. Your completed proposal and the information you supply to us forms part of the basis for our decision of whether or not to insure you and on what terms.
Australia	The Commonwealth of Australia, its dependencies and Territories.
Business	The trade or occupation shown in your Policy Schedule (and no other for the purpose of this insurance) carried on at and from the location.
Business hours	Your office and working hours (including overtime) during which you or your employees are on the location for the purpose of your business.
Business premises	The buildings, outbuildings, yards and adjacent land used by you for your business, at the location shown in your Policy Schedule.
Business property	Buildings, contents, stock and items shown in your Policy Schedule used by your business.
Employee and employees	Any person who is employed by you and/or is required to be covered by you for workers' compensation or similar cover by any workers' compensation legislation.
Excess	<p>The amount shown in the Policy and your Policy Schedule, payable by you on each and every claim arising out of one (1) event or occurrence under that Policy section.</p> <p>Should more than one (1) excess be payable under this Policy for any claim or series of claims arising from the one (1) event, such excesses shall not be aggregated and the highest single level of excess only shall apply, except in the motor vehicle section. In the motor vehicle section you may have to contribute more than one (1) excess. You are required to pay the excess when we request you to do so.</p>

Word or term	Meaning
Family	Persons who normally reside with you permanently and who are: <ol style="list-style-type: none"> 1. your spouse or defacto; 2. your or your spouse's or defacto's unmarried children; 3. your parents or your spouse's or defacto's parents; or 4. your brother or sister.
Flood	The covering of normally dry land by water that has escaped or been released from the normal confines of any of the following: <ol style="list-style-type: none"> 1. a lake (whether or not it has been altered or modified); 2. a river (whether or not it has been altered or modified); 3. a creek (whether or not it has been altered or modified); 4. another natural watercourse (whether or not it has been altered or modified); 5. a reservoir; 6. a canal; 7. a dam.
Indemnity value	The value of buildings, contents, personal valuables, stock, machinery, or business property at the time of loss or damage taking into consideration the age, condition and state of repair.
Location	The place(s) listed in your Policy Schedule where you carry out your business.
Market value	The retail value of items of a similar type, age and condition, with adjustment for its special features, if any. Used price guides and any other information may be used to assist in determining market value.
Money	Cash, bank notes, currency notes, negotiable instruments, negotiable cheques, postal notes, post office money orders, negotiable securities, unused postage stamps, revenue stamps, credit card sales vouchers, instant lottery tickets, store value cards, authorised gift vouchers, public transport boarding bus or transport tickets, telephone credit cards or franking machine credits.
Motor vehicle	Any type of land based machine on wheels or on self laid tracks made or intended to be propelled other than by manual or animal power, including any trailer or other attachment that is normally towed by or operated from any such machine. Motor vehicle does not include aircraft.
Period of insurance	The period shown in your Policy Schedule.
Policy	Includes this PDS, the Policy Schedule and any future documents issued to you that amends the Policy wording or Policy Schedule.
Policy Schedule	<ol style="list-style-type: none"> 1. The Policy Schedule; or 2. the renewal notice you have paid; or 3. the alteration advice sent to you. <p>It contains details of the types of cover and levels of insurance you have selected and any special conditions or endorsements applicable to your cover.</p>

Word or term	Meaning
Safe or strongroom	A container or structure which has been specifically designed for the safe storage of money or valuables and is designed compliant with Australian Standards to protect the contents against fire and to resist unauthorised opening by hand-held or power operated tools.
Seasonal increase Period	<p>Any period of time during the period of insurance that has turnover, sales or levels of stock at least 20% higher than the average turnover, sales or level of stock at other times during the period of insurance.</p> <p>The total number of days we will allow as seasonal increase periods is 120 days in total during any one period of insurance. You do not have to tell us what the dates of the periods are, but if you claim under a Policy section which has the seasonal increase period cover, then your financial records over at least the two (2) previous years must reasonably demonstrate that the stock levels during seasonal increase 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 seasonal increase period</p>
Senior Counsel	A person entitled to use the letters 'QC' or 'SC' in any one (1) or more superior court in Australia or New Zealand.
We, us, our	QBE Insurance (Australia) Limited, ABN 78 003 191 035 AFSL 239545.
You, your, yours	The person(s), companies, firms or organisations named in your current Policy Schedule as the insured.

Property section

Fire and other insured events

Words with special meaning in this section

Word or term	Meaning
Buildings	<p>Buildings includes:</p> <ol style="list-style-type: none"> 1. lessors fixtures and fittings including fixed carpets; 2. all underground and above ground services to the buildings; 3. all other structural improvements at the location including all outbuildings, shelters, verandas, carports, paths and roadways, fencing, permanently fixed water and fuel tanks, gates, walls, signs. <p>Buildings do not include:</p> <ol style="list-style-type: none"> 1. machinery; 2. stock; 3. contents; 4. land, dams, bridges, canals, tunnels, railway tracks (not at the address); 5. business property located in an underground mine.
Contents	<p>All stock in trade and merchandise, including trading stock in the course of production, business furniture, machinery, plant and equipment, and includes antiques, curiosities and works of art limited to \$5,000 for any one (1) item or collection of items (unless specified otherwise), belonging to you or for which you are responsible or for which you have assumed responsibility to insure prior to the occurrence of any destruction or damage.</p> <p>Contents also includes:</p> <ol style="list-style-type: none"> 1. customers' goods for which you are responsible for prior to any destruction or damage; 2. the cost of repair or replacement of necessary patterns, models, moulds, dies and lasts but limited unless repaired or replaced to the value standing in your financial records; 3. improvements, alterations, decorations, fittings and additions to leased buildings which have been made by you and for which you are not entitled to be reimbursed by the lessor in the event of destruction or damage; 4. lessors fixtures, fittings, glass and fixed carpets for which you are legally responsible, unless insured by you as part of 'Definitions applying to this section 1. - Buildings'; 5. the buildings (for which you are responsible under the terms of any lease), caused by theft or attempted theft. <p>Contents do not include:</p> <ol style="list-style-type: none"> 1. growing crops, trees or plants; 2. animals or any other living organism; 3. motor vehicles, watercraft and aircraft which are not stock; 4. jewellery, furs, bullion, articles containing gold or silver which are not stock;

Word or term	Meaning
	<ol style="list-style-type: none"> 5. land, dams, bridges, canals, roadways, tunnels, railway tracks (not at the address), wharves, docks, jetties, pontoons, piers or similar structures; 6. business property located in an underground mine; 7. money, security documents, stamps 8. explosives.
Records and documents	<p>Written, printed, filmed or taped records (including computer records), deeds, plans or drawings or documents of any other type which are:</p> <ol style="list-style-type: none"> 1. used in the business; 2. in a building at the location; and 3. are owned by you or are in your custody in the ordinary course of your business.
Sea	Oceans, bays, ports or tidal waters.
Stock	<p>The items belonging to you or for which you are legally responsible or have assumed a responsibility to insure described below:</p> <ol style="list-style-type: none"> 1. products and material you have sold or intend to sell; 2. raw or consumable materials used by you to make or alter your products; 3. your products while they are being made, repaired or altered; 4. property not owned by you on your business premises for service, repair, alteration or safe keeping; and 5. any consumable products or materials used in your business.
Water	Water, including snow, sleet or hail.

Cover

We will indemnify you up to the limit shown in your Policy Schedule in respect of physical loss of or damage to:

1. buildings;
2. contents;
3. other interests as shown in your Policy Schedule;

directly caused by an insured event.

Basis of settlement

Unless otherwise specified in the Policy Schedule, claims will be settled on the basis of reinstatement and replacement and extra costs, as follows:

1. Reinstatement and replacement

- (a) Where property (excluding stock, customers goods and buildings awaiting or undergoing demolition) is destroyed:
 - (i) if a building - the rebuilding thereof; or
 - (ii) if property, other than a building - the replacement thereof by similar property;

in either case in a condition equal to but not better or more extensive than its condition when new;

- (b) where property (excluding stock, customers goods and buildings awaiting or undergoing demolition) is damaged, the repair of the damage and the restoration of the damaged portion of the property to a condition substantially the same as but not better or more extensive than its condition when new.

The basis of settlement of any claim shall be the cost of reinstatement of the property destroyed or damaged at the time of such destruction or damage as follows:

- (i) the work of rebuilding, or replacement, or repairing as the case may be (which may be carried out upon another site and in any manner suitable to your requirements but subject to our liability not being thereby increased), must be commenced and carried out with reasonable despatch, failing which we will effect settlement on an indemnity value basis;
 - (ii) when any property to which 'Reinstatement and replacement 1. b.' applies is damaged or destroyed in part only, our liability will not exceed the sum insured shown in your Policy Schedule;
 - (iii) no payment beyond the amount which would have been payable under this section will be made until a sum equal to the cost of reinstatement will have been actually incurred.
- All other insurances covering the property by or on your behalf must be on a similar reinstatement basis.
- (c) where stock or customers goods are destroyed or damaged, we will, at our option:
- (i) pay the market value at the time of the loss or damage;
 - (ii) replace or repair the stock with property or materials of the same or similar standard and specification of the stock or customers goods at the time of loss or damage;
 - (iii) pay the cost of repair or replacement.
- (d) where buildings awaiting or undergoing demolition are destroyed or damaged we will pay the salvage value of the damaged building materials, fixtures and fittings.

2. Extra cost

We will also pay in respect of property (excluding stock) insured under this section the extra cost of reinstatement including demolition or dismantling of such property necessarily incurred to comply with the requirements operative at the time of reinstatement of:

- (a) any Act of Parliament or regulation made thereunder; or
 - (b) any by-law or regulation of any Municipal or other statutory authority;
- provided in either case that:
- (c) the work of reinstatement (which may be carried out wholly or partially upon another site if the aforesaid Act, by-law or regulation of any Municipal or other statutory authority so necessitates subject to our liability not being thereby increased) must be commenced and carried out with reasonable despatch failing which we shall not be liable to make any payment beyond the amount which would have been payable under this section if this clause had not been incorporated therein;
 - (d) the amount recoverable shall not include the additional cost incurred in complying with any such Act, regulation, by-law or requirement with which you had been required to comply prior to the happening of the damage;
 - (e) Condition 1. – Co-insurance in this section will not be applied to the amount recoverable under 'Extra cost 2. a. and 2. b.';

- (f) if the cost of reinstatement of the damage directly caused by any of the insured events is less than 50% of what would have been the cost of reinstatement of the property insured had such property been destroyed, the amount recoverable will:
 - (i) be limited to the extra cost necessarily incurred in reinstating only that portion damaged; and
 - (ii) not include any extra cost in relation to any portion of the property not damaged; and
 - (iii) not exceed, in any event, the sum which we could have been called upon to pay if such property had been wholly destroyed.

3. Floor space ratio index

Where buildings are damaged 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 will pay in addition to any 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 liability under 1. Reinstatement and replacement, 2. Extra cost, and 3. Floor space ratio index (plot ratio) in total will not exceed the limit of indemnity shown in your Policy Schedule in respect of the buildings which are the subject of the claim.

4. Undamaged foundations

Where a building, but not its foundations is destroyed by an event and the work of reinstatement is carried out wholly or partially upon another site to meet the requirements of any Act, by-law or regulation of a Municipal or other statutory authority, the abandoned foundations shall be considered as having been destroyed.

Provided that any increase in the re-sale value of the land through the presence of the abandoned foundations will be regarded as salvage and paid by you to us.

5. Indemnity value

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

When the basis of settlement is Indemnity value;

- (a) the Co-insurance Condition (1) is amended to read: In the event of loss or damage to property we will be liable for no greater proportion of the loss or damage than the sum insured at the location bears to 80% of the current indemnity value of the property insured, provided that our liability does not exceed the sum insured for each item shown in your Policy Schedule. This condition will not apply if the amount of any loss or damage does not exceed 5% of the total of the sums insured at the location.
- (b) We will not pay for extra costs to reinstate the building and contents as described in 2. Extra Cost.
- (c) We will not pay for any benefits described in 3. Floor Space Ratio Index.

- (d) We will not pay for any benefits described in 4. Undamaged foundations.

Insured events

1.

(a) Fire

Fire, but not;

- (i) loss or damage to any property undergoing heating or the direct application of heat. This exclusion is limited to the item(s) immediately affected and shall not apply to other property damaged as a result of such application of heat.
- (ii) Fire caused by earthquake and/or volcanic eruption.

(b) Molten material

Escape of molten material from its normal confines on or about the business premises but excluding:

- (i) the cost of repairing any fault which enabled such escape;
- (ii) the cost of retrieving or removing escaped material from any escape channel or catchment area designed for the purpose;
- (iii) loss of or damage to such escaped material;
- (iv) loss or destruction of or damage to furnace linings, crucibles, moulds, other containers or ladles from which molten material escapes.

2. Lightning

Damage caused by lightning strike including any resultant power surge.

3. Wind and water

- (a) Wind and rain (includes snow and hail); and
- (b) any other liquid discharged, overflowing, leaking or bursting from mains, fixed pipes, gutters, drains, fixed tanks or fixed apparatus used to hold or carry liquids;

but not loss or damage from the following Wind and water exclusions:

- (a) by sea, tidal wave, tsunami, high water, flood;
- (b) erosion, subsidence, landslide, mudslide, settling or gradual ground movement;
- (c) by steam or condensation;
- (d) by water seeping from outside the business premises;
- (e) to business property in the open air unless such property comprises of a permanent structure designed to function without the protection of walls or roofs;
- (f) shade sails, shade cloths, plastic or textile awnings, plastic or textile blinds, shade houses and any type of hot and glass houses;
- (g) to buildings while they are being built that do not have all walls, doors and roofs completely fixed;
- (h) to growing crops, trees, or any other plants.

Wind and water exclusions 3.(b) and 3.(d) above do not apply to Wind and water event 3.(b).

Wind and water exclusion 3.(f) does not apply to the first \$20,000 of loss or damage in any one (1) period of insurance.

We will also cover the reasonable costs incurred up to \$10,000 any one (1) loss in locating and identifying the source, and repairing any damage caused by locating and identifying insured loss or damage, where such loss or damage is caused by wind and water event 3.(b).

We will not pay for the repair or replacement of apparatus, pipe or tank itself. We will not cover damage which occurs as a result of your failure to repair or prevent the burst, leak, discharge or overflow within a reasonable amount of time of discovering an event.

4. Sprinkler leakage

- (a) Water discharged or leaking from any automatic sprinkler or drencher installation or tank connected therewith.
- (b) The indemnity granted includes expenses incurred for attendance of the fire brigade for the purpose of shutting off the water supply following accidental discharge of water from the automatic sprinkler or drencher system or the cost of removal of such water or cleaning operations incidental thereto.

However, 'Insured event 4' does not include the cost of cleaning up any pollutant material which has gone beyond the boundaries of the location or has entered the public drainage system or any creeks or waterways.

5. Impact

By:

- (a) motor vehicles;
- (b) animals, excluding animals kept on the business premises;
- (c) a falling tree or part of a tree but not if the loss or damage is caused by you or a person acting with your express or implied consent felling or lopping trees;
- (d) a communication tower, mast, aerial, antenna or any satellite dish and other fixture attached thereto following collapse or breakage but not including damage to such tower, mast, antenna, satellite dish or fixture unless caused by an event insured by this Policy;
- (e) a falling building or other structure or part thereof but not if such collapse is caused by:
 - (i) lack of maintenance to a building or structure at the location; or
 - (ii) demolition of a building or other structure at the location except for demolition following loss or damage otherwise insured by this section;
- (f) watercraft.

6. Explosion

Damaged caused by explosion, including explosion or implosion of boilers, economisers and pressure vessels. We will not pay for damage to any exploded or imploded boiler, economiser or pressure vessel that has a replacement value exceeding \$200,000.

7. Earthquake and Volcanic eruption

Damage caused by earthquake, tsunami, subterranean fire or volcanic eruption including subsequent fire or water damage within seventy two (72) consecutive hours to buildings (which means all buildings whether or not separated by roadways) and contents which are in the same ownership, at one (1) location and which form one (1) establishment.

We will not pay:

- (a) the first \$20,000; or
- (b) an amount equal to 1% of the total sum insured at the location,

whichever is the lesser

The amount calculated under 'Insured event 7a. or 7b. will be deducted from each claim during each seventy two (72) hour period should damage occur over a period longer than seventy two (72) hours.

8. Aircraft

Impact by aircraft, rockets, satellites and other aerial devices and/or articles dropped therefrom, space debris and sonic boom.

9. Riots and strikes

The acts of:

- (a) persons taking part in riots or civil commotion or strike or lock-outs or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation, but excluding damage caused directly or indirectly by total or partial cessation of work or the retarding or interruption or cessation of any process or operation; or
- (b) any lawfully constituted authority in connection with the acts referred to in 'Insured event 9. a.'

10. Vandalism

The acts of vandals or persons of malicious intent (including persons carrying out a theft or attempted theft) but excluding:

- (a) loss or damage caused by tenants, other than fire or explosion; or
- (b) persons specified in 'Insured event 9.; or
- (c) theft of contents;
- (d) theft of building greater than \$5,000;
- (e) caused by you or anyone who permanently or temporarily lives with you;

provided that the police are immediately informed of any damage.

We will not cover loss or damage to any item insurable under the Glass section of this Policy, whether such section is taken or not.

11. Accidental damage

- (a) Loss of or damage to buildings or contents caused by any accident except loss or damage caused by:
 - (i) 'Insured events 1. to 10.' or by any event or circumstance excluded therein;
 - (ii) theft or armed hold-up, or any attempt thereat;
 - (iii) fraudulent or dishonest acts by your employees;
 - (iv) wear and tear, fading, scratching or marring, gradual deterioration or developing flaws, normal upkeep or making good;
 - (v) the action of animals including but not limited to birds, moths, white ants, termites or other insects, mice, rats, vermin or any other living organism;
 - (vi) error or omission in design, plan or specification or failure of design;
 - (vii) faulty materials or faulty workmanship;
 - (viii) any order of any government, public or local authority including the confiscation, nationalisation, requisition, repossession of or damage to any property;
 - (ix) incorrect siting of buildings as a result of incorrect design or specification;
 - (x) unexplained inventory shortage, unexplained disappearance, disappearance resulting from clerical or accounting errors or shortage in the supply or delivery of materials to or from you;
 - (xi) consequential loss of any kind;
 - (xii) machinery breakdown, electrical or electronic breakdown, unless caused by 'Insured events 1. to 10';
 - (xiii) computer virus;
 - (xiv) any person deliberately switching off or disconnecting the power supply;

(xv) loss of or damage to property directly or indirectly caused by or contributed to by normal settling, seepage, shrinkage or expansion in buildings or foundations, walls, pavements, roads and other structural improvements, creeping, heaving and vibration;

(xvi) rust or oxidation, mildew, mould, wet or dry rot, corrosion, change of colour, variation in humidity, variation in temperature, evaporation, disease, inherent vice or latent defect, change of weight and/or volume, change in flavour, texture or finish, contamination, pollutants or industrial fallout.

- (b) We will not cover loss or damage to:
 - (i) trees, shrubs, growing crops, pot plants or any other plants;
 - (ii) live animals, birds, fish or any other living organism;
 - (iii) any property in transit;
 - (iv) any item insurable under the glass, machinery breakdown or electronic equipment sections of this Policy;
 - (v) property during the course of, and as a result of, its processing;
 - (vi) alterations and additions when the value of work exceeds 10% of the sum insured or \$500,000, whichever is the lesser.

Additional benefits applying to this section

1. Property temporarily removed

We will cover property temporarily removed from the location to any other premises within Australia.

We do not cover:

- (a) stock already sold;
- (b) 'Insured event 11'.

2. Architects and other fees

We will cover;

(a) Architects, surveyors and legal fees

All necessarily incurred in the repair or reinstatement of damage to your property following loss or damage for which a claim is admissible under this section but only to the extent that the sum insured on that item is not otherwise exhausted.

(b) Government fees

Any fee, contribution or other impost payable to any government, local government or other statutory authority, incurred by you as a condition precedent to the obtaining of consent to reinstate any property insured under this section. We will not be liable for payment of any fine or penalty imposed on you by such authorities.=

(c) Discharge of mortgage

Reasonable legal costs and fees payable by you to discharge any mortgage on buildings or contents that are considered by us to be a total loss.

We will pay:

- (i) for buildings or contents, up to the balance of the sum insured for the applicable item of property where such balance is not otherwise exhausted;
- (ii) for buildings only and when the sum insured is exhausted, up to 10% of the sum insured for such buildings or \$35,000, whichever is the lesser.

3. Seasonal Increase Period

We will cover an automatic increase in the sum insured on portion of the contents sum insured which relates to stock by up to 50% during a seasonal increase period.

4. Rewriting of records

We will cover the cost of rewriting or reproducing necessary written or printed documents, computer system records, business records, plans and designs limited to an amount equal to 10% of the contents sum insured or \$50,000, whichever is the lesser.

We will not pay for rewriting of records if you are insured for business interruption

5. Loss of land value

We will cover 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 legal authority that does not allow rebuilding or only partial rebuilding at the location following loss or damage covered under 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 10% of the sum insured shown for buildings at the premises where the damage happened.

Condition 1. - Co-insurance does not apply in respect of this benefit.

6. Fire extinguishment costs

We will cover fire extinguishment costs to a maximum of \$30,000 covering:

- (a) wages of your employees;
- (b) the cost of replenishment of fire fighting appliances or damage to materials (including employees' clothing and personal effects) unless otherwise specifically insured;
- (c) the costs you are liable for under any *Fire Brigade Act* or similar legislation, provided always that our liability in respect of these costs shall be limited to those necessarily and reasonably incurred in extinguishing fires at or adjoining the location of the property insured by this section or immediately threatening to involve such property.

We will not pay for any fines, penalties or liability incurred by you, or any loss to your property.

7. Removal of debris, temporary repairs and temporary protection

We will cover the cost of removal, storage and disposal of debris or the demolition, dismantling, shoring up, propping, underpinning or other temporary repairs and temporary protection as a direct result of an insured event up to a maximum amount of:

- (a) \$25,000; or
- (b) the amount shown in your Policy Schedule; or
- (c) the extent that the sum insured on buildings and contents (whichever is applicable) is not otherwise exhausted;

whichever is the greater.

8. Employee's tools, equipment, personal effects and clothing

We will cover personal property of directors and employees of your business if:

- (a) the personal property is used solely for business purposes; and

- (b) the person to whom the personal effects belong is not named as an insured.

Cover is limited to \$5,000 any one (1) person and \$10,000 any one (1) event but if any person is entitled to indemnity under any other policy of insurance effected by him/her or by any person other than you, this cover will only apply in respect of any amount in excess of that provided by such other policy. There is no cover for you or any person named as the insured in your Policy Schedule. We do not cover 'Insured event 11'.

The basis of settlement is indemnity value.

9. Landscaping

Notwithstanding exclusion (b) (i) of Insured event 11, we will cover the cost of loss of or damage to landscaping which shall include trees, shrubs, plants and lawns, including expenses reasonably incurred in clearing, cleaning or repairing drains, gutters, sewers, pipes, tanks or fixed apparatus resulting from an insured event (other than 'Insured event 3. c.').

Our liability shall not exceed the sum of \$20,000 for any one (1) loss.

10. New premises – temporary cover

We will temporarily extend cover provided by this section to property at any new location first occupied by you during the period of insurance provided that:

- (a) this temporary cover period is limited to the lesser of:
 - (i) thirty (30) days from the date you acquire or commence using the premises; or
 - (ii) the expiry date of the current period of insurance; or
 - (iii) the date on which the property ceases to belong to you;
- (b) the property is used for the business shown in your Policy Schedule;
- (c) the property is of similar type to that already insured under this section;
- (d) the new premises comprise buildings of similar construction, fire and burglary protection as featured in any business premises shown in your Policy Schedule.
- (e) you must provide to us full details of the new premises within thirty (30) 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 25% of the highest sum insured shown in your Policy Schedule for each item of property.

11. Capital addition – Contents

Cover for contents insured at any one (1) location is extended to include any alterations or additions obtained or built during the period of insurance to contents (excluding stock) to an amount not exceeding 20% of the sum insured on contents at that location, or \$500,000 whichever is the lesser, however we will not cover them during the period of construction, erection or alteration.

12. Prevention of damage

Cover is extended to include costs incurred to extinguish a fire on or in the vicinity of your business premises which threatens damage to your business property or for costs to prevent or diminish imminent damage to your business property by any other insured event including the removal of property from your business premises subject to a limit of \$20,000 for any one (1) claim.

13. Catastrophe escalation cost

If any of your buildings are damaged by any insured event covered by this section; and:

- (a) we classify such damage as a total loss; and
- (b) the event giving rise to the damage has resulted in any competent authority declaring a state of emergency affecting the area in which your damaged building is located.

We will increase the sum insured applicable to such buildings under this section by up to 20% provided that your building is rebuilt to cover any increase in building costs for labour and materials and any other additional costs which may apply after the event.

Provided that:

- (a) we will not pay more than the increased building costs which are actually incurred by you;
- (b) 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 section.

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

14. Capital addition - Buildings

Cover for buildings insured at any one (1) location is extended to include any alteration and/or additions commenced during the period of insurance if the value of such alterations and additions does not exceed 20% of the sum insured on buildings or \$500,000, whichever is the lesser.

15. 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 premises caused by:

- (a) Vandals or malicious persons, other than you or your employees;
- (b) Fire occurring to property insured at the premises;
- (c) The action of the fire fighting services, police or other emergency services in attending to their duties at the premises.

16. Unpacking Expenses

Cover is extended to include costs and expenses incurred in taking inventory or unpacking repacking and/or restacking stock to identify, quantify and/or value any property damaged including examination of property not belonging to you but in your care, custody or control subject to a limit of \$20,000 for any one claim

Conditions applying to this section

1. Co-insurance

For each occurrence, we will pay the proportion of the loss or damage that the sum insured bears to 80% of:

- (a) the reinstatement or replacement cost of the business property where the method of settlement is reinstatement or replacement cost; or
- (b) the indemnity value of the business property, on the day the loss or damage occurs where the method of settlement is indemnity value.

This condition will not apply if the amount of loss or damage is less than 5% of the sum insured.

Example:

The sum insured is declared at \$1,000,000.

Property damage totalling \$500,000 occurs from an event covered by the Policy.

The insurable value of such property at the commencement of the period of insurance is actually \$2,500,000.

Coinurance applies because the declared value is less than 80% of the insurable value calculated in accordance with the basis of settlement.

In this example we would pay only \$250,000 of your damage less any excess that has to be paid.

Claim Payment = \$1,000,000 / (\$2,500,000 x 80%) x \$500,000 = \$250,000

2. Hazardous goods

Storage and use of hazardous goods usual to your business is allowed in the manner and quantities permitted by any Act of Parliament or regulation thereunder, or any by-law or regulation of any Municipal or other statutory authority. If you store or use hazardous goods other than as permitted above and such misuse or incorrect storage results in or contributes to damage or loss of property insured we may reduce or refuse to pay your claim.

3. Sprinkler installations

If a building insured under this section is fitted with an internal automatic sprinkler system and you are responsible for operation or maintenance of the sprinkler system; you must ensure that the system, including external alarms and connections to a fire station or other approved monitoring facility are at all times maintained in good condition and efficient working order. Written notice must also be provided to us of:

- (i) alterations or additions to any such installations;
- (ii) any disconnection of water supply or automatic alarm system during the course of maintenance where the total period of disconnection exceeds forty eight (48) hours over any seven (7) consecutive days.

If you have told us of the sprinkler installation, we have set our insurance acceptance, limits and premium on the basis that you comply with this Condition. If you don't follow the Sprinkler Installations Condition we will not pay for damage caused by fire.

4. 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 you:

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

Endorsement

Strata title mortgagee(s) interest

Strata title mortgagee(s) interest only applies when shown in your Policy Schedule and:

1. you own part of a building that has been subdivided into strata, community or similar title units; and
2. you have a mortgage on that part of the building; and
3. you have arranged this Policy to insure only the interest of the mortgagee.

We will pay the mortgagee the lowest of:

1. the sum insured shown in your Policy Schedule;

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

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

We only pay a claim if:

1. a claim would be payable under 'Insured events 1., to 10.', of the this section (and not subject to any exclusions or other limitation in the Policy);
2. the Policy of the body corporate or similar does not apply or only partially covers the loss; and
3. the mortgagee requires you to discharge your mortgage.

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

Business interruption section

Words with special meaning in this section

Word or Term	Meaning
Accountant	A professional accountant to be appointed by both you and us or failing such appointment nominated by the President of the Institute of Chartered Accountants in Australia or by the President of the Australian Society of CPA's.
Annual income	The gross income during the twelve (12) months immediately before the date of damage, to which adjustment will be made to reflect the trend in the business and any other circumstances in order to arrive at the same result that would have been obtained had the damage not occurred.
Average weekly income	The average weekly gross income during the fifty two (52) weeks immediately before the damage (or such lesser period in the event that your business has been in operation for less than fifty two (52) weeks) to which adjustment will be made to reflect the trend in the business and any other circumstances in order to arrive at the same result that would have been obtained had the damage not occurred.
Gross income	The money paid or payable to you for goods sold and/or services rendered or for rental received or payable (plus outgoings as defined or specified in any lease) to you in the course of the business less the purchase cost of stock and uninsured working expenses.
Indemnity period	The period beginning with the occurrence of the damage and ending not later than the number of weeks or months shown in your Policy Schedule during which the results of the business shall be affected in consequence of the damage.

Word or Term	Meaning
Outstanding accounts receivable	The total amount owed to the business by customers as at the end of the month immediately prior to the date of the damage adjusted for: <ol style="list-style-type: none"> 1. bad debts; 2. amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of damage) to customers' accounts in the period between the date to which the last statement relates and the date of the damage; and 3. any abnormal condition of trade which had or could have had a material effect on the business, so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have been attained at the date of the damage had the damage not occurred.
Payroll	The amount you pay: <ol style="list-style-type: none"> 1. employees for wages, bonuses, holiday pay and sick pay; 2. for Payroll tax, fringe benefits tax, workers' compensation insurance premiums, accident compensation levies, superannuation, health insurance and pension fund levies.
Standard income	The gross income during that period corresponding with the indemnity period in the twelve (12) months immediately before the date of the damage, adjusted to reflect the trend in the business and any other circumstances in order to arrive at the same result that would have been obtained had the damage not occurred.
Uninsured working expenses	<ol style="list-style-type: none"> 1. the cost to purchase stock; and 2. the working expenses you have chosen not to cover; 3. shown in your Policy Schedule.
Weekly income	The gross income received by you for each week the business is in operation.
Property Agent	A licensed property manager or licensed real estate agent
Lease agreement	A written and enforceable agreement between you or your property agent and your tenant setting out the terms and conditions of occupation of your commercial premises including the end date of the tenancy period and the amount or method of calculation of rent payable to you.
Commercial Rent	The amount paid or payable by your tenant under the terms of the lease agreement
Commercial Rental Premises	The building at the situation specified in the Policy schedule
Tenant	The legal entity named in the lease agreement

Cover

We will indemnify you up to the limits shown in your Policy Schedule for loss of gross income or weekly income or payroll costs (as selected by you and shown in your Policy Schedule) resulting from interruption or interference to the business caused by loss or damage to property insured under the property, theft, money, general property or glass sections or any other policy insuring the same events and for which liability is admitted unless liability is not admitted solely due to the operation of or provision in any such section or policy excluding liability for loss below a specified amount, or caused by an explosion of a boiler or economiser on the business premises.

1. Gross income

Where gross income has been selected, the amount payable as indemnity will be:

- (a) in respect of reduction of gross income, the amount by which the gross income earned during the indemnity period will in consequence of the damage fall short of the standard income;
- (b) additional expenditure necessarily and reasonably incurred with our consent for the sole purpose of avoiding or diminishing the reduction in the gross income of the business caused by the loss or damage.

The amount expended will not exceed the reduction in gross income thereby avoided (less expenses saved as a result of the damage).

2. Weekly income

Where weekly income has been selected, the amount payable as indemnity will be:

- (a) the percentage of the weekly sum insured that the reduction in your weekly income bears to the average weekly income, provided that the interruption or interference to the business is for a period exceeding one (1) week and our liability shall not exceed the average weekly income;
- (b) additional expenditure necessarily and reasonably incurred with our consent for the sole purpose of avoiding or diminishing the reduction in the weekly income of the business caused by the loss or damage.

The amount expended will not exceed the reduction in weekly income thereby avoided (less expenses saved as a result of the damage).

3. Payroll cover

We will cover the reasonable and necessary payroll costs you incur during the indemnity period arising out of and caused by an insured loss under the business interruption section to:

- (a) reduce or avoid loss of turnover;
- (b) maintain normal business operations and services;
- (c) resume normal business operations and services; and/or
- (d) pay out payroll in lieu of notice;

up to the amount of the sum insured shown in your Policy Schedule.

4. Special condition

If your Policy Schedule shows you are covered for payroll cover, then payroll is an uninsured working expense and you agree that your gross income will be reduced accordingly.

Basis of settlement

1. Departmental provision

If the business is conducted in separate business units or departments the independent trading results of which are ascertainable, the cover provided by this section shall apply separately to each department affected by the loss or damage, except that if the sum insured under this section shall be less than the total of the gross income or weekly income (whichever is selected) for each department (whether affected by the loss or damage or not), the amount payable shall be proportionately reduced provided your books of account, records and other information clearly distinguish between the different departments or business units.

2. Accumulated stocks provision

In adjusting any loss, account shall be taken and due allowance made if any shortage in gross income or weekly income due to the interruption or interference is postponed by reason of the gross income or weekly income being temporarily maintained from accumulated stocks of finished goods.

3. Interim claim payments

When a claim is payable for a loss recoverable under this section we will, if required by you and at intervals to be mutually agreed, make interim payments as calculated from any loss adjuster's report or other information and documentation supplied to us.

4. Salvage sale

If we pay a claim and you hold a salvage sale for items damaged by an insured event during the indemnity period, the income from the damaged items will not be considered as standard income for the purpose of calculating a claim under gross income.

5. Adjustment for business trends

When calculating gross income, annual income, standard income and accounts receivable, we will make adjustments to provide for the trend of your business and special circumstances that have or would have occurred if your business had not been interrupted.

6. Alternative trading after damage

If during the indemnity period the business operates from premises other than the business premises, the income earned from other premises will be included in the gross income calculations.

7. Opening and closing stock and work in progress

The amounts of the opening and closing stock and work in progress will be calculated in accordance with your usual accounting procedures and with provision being made for depreciation or appreciation as applicable.

Additional benefits applying to this section

The indemnity under this section is extended to include interruption or interference with your business in consequence of the following Additional Benefits:

We will not indemnify you for any loss during the first 2 trading days that results in the interruption of or interference of your business which is covered under Additional Benefits 1, 2, 3, 4, 5, 6 and 7.

We will not pay you more than 20% of the Gross Income sum insured shown on the schedule (unless another amount is specified on the schedule) under each Additional Benefits 1, 2, 3, 4, 5, 6 and 7.

1. Prevention of access

- (a) damage by any insured event covered by the property section to property within a fifty (50) kilometre radius of your business premises or to property forming part of or contained in a complex of which the location forms part;
- (b) bomb threat;
- (c) closure or evacuation of all or part of the business premises by order of a competent government, public or statutory authority as a result of:
 - (i) food poisoning, murder or suicide; or
 - (ii) infectious or contagious human diseases;

within a fifty (50) kilometre radius of your business premises.

However there is no cover for highly pathogenic Avian Influenza or any disease declared to be a listed human disease under the *Biosecurity Act 2015* (as amended) irrespective of whether discovered at the location of your business premises, or out-breaking elsewhere;

- (d) closure or evacuation of all or part of the business premises by order of a competent government, public or statutory authority as a result of:
 - (i) vermin or other animal pests; or
 - (ii) incorrect operation of drains or other sanitary arrangements;

at the location;

which prevents or hinders the use of your building or access thereto, or results in a cessation or diminution of trade due to temporary falling away of potential customers.

2. Public utilities, customers and suppliers extension

Where damage occurs within Australia at:

- (a) an electricity power station, sub station or transmission line;
- (b) a gas supplier;
- (c) water or sewerage services;
- (d) land based telecommunications installations;
- (e) a customer's premises;
- (f) a supplier or manufacturer of goods, components or materials;
- (g) a repairer's premises; or
- (h) storage or processing premises not occupied by you;

and these premises supply goods or services utilised by you or you supply goods or services to them, where damage is caused by and would be covered by an insured event listed in the property section of this Policy, the consequential reduction of gross income or weekly income resulting from such interruption or interference will be deemed to be loss resulting from loss or damage to property used by you at your location.

3. Transport infrastructure

Where damage occurs within Australia, but outside any business premises occupied by you to roads, bridges and rail lines over which property is conveyed to or from your premises (but not including damage by flood), and such damage is caused by and would be covered by an insured event listed in the property section of this Policy, the consequential reduction of gross income or weekly income resulting from such interruption or interference shall be deemed to be loss resulting from loss or damage to property used by you at your business premises.

4. Transit

Damage to property owned by you or for which you are responsible whilst in transit by road, rail, sea or air to any place in Australia away from your premises caused by an insured event which would be covered under the property section of this Policy.

5. Computer installation

Damage caused by an insured event which would be covered under the property section of this Policy, to a computer installation within Australia, including any ancillary equipment and data processing media, utilised by you.

6. Loss of Attraction

If your business is located within a multi-tenanted retail shopping complex, we will treat damage to property of a major tenant as being damage for the purposes of this Policy section; providing the property damage could have been insured on this policy.

7. Documents temporarily removed

Damage caused by an insured event which would be covered under the property section of this Policy to any of your documents or documents held in trust by you while:

- (a) temporarily at premises in Australia, not occupied by you; or
- (b) in transit to any place in Australia.

8. Re-writing of records

We will cover the reasonable clerical and professional costs incurred to re-write your necessary business records if they are damaged by an event for which you are covered.

We will not pay for any financial loss caused by the loss of your records under this 'Additional benefit 8.'

The maximum amount we will pay for any event is \$20,000, or the amount shown in your Policy Schedule, whichever is the greater.

'This additional benefit 8.', is in addition to your sum insured.

9. Motor Vehicles owned or operated by you

Loss or damage to any registered motor vehicle or trailer owned by or operated by you whilst the vehicles are at your premises or stored at other premises in Australia.

10. Additional increased cost of working

If you have chosen to insure gross income or weekly income, we will pay up to \$25,000 or the amount shown in your Policy Schedule whichever is the greater for the additional expenditure, not otherwise recoverable, or insufficient under any other cover option in this section, you reasonably incur to minimise the effect of the loss or damage to the business during the indemnity period.

11. Fines, damages and penalties

Liability to pay fines or damages for breach of contract resulting from non-completion or late completion of orders which arises out of damage to your property and an admissible claim under the property and theft sections.

We will not pay for

- (a) exemplary, punitive or aggravated damages; or
- (b) the discharge of contract purchases, cancellation notices, fines or damages for breach of contracts for the purchase of goods or services you cannot use during the indemnity period, less the value of these goods to you or the amount received for their sale;
- (c) More than 5% of the gross income or weekly income sum insured shown on your schedule within any one (1) period of insurance.

12. Government incentives

The monetary loss of gross income 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.

- (a) This only applies if the loss of these benefits was caused as a result of damage to the property insured which has resulted in an admissible claim under the Property section or Theft section of this Policy.
- (b) Under this 'Additional benefit 11.', the maximum we will pay within any one (1) period of insurance is 10% of the gross income or weekly income sum insured of this Policy section.

13. Claim preparation costs

Reasonable professional fees (including but not limited to external claim specialists) and such other reasonable expenses as are necessarily incurred by you with our consent for preparation of claims under the 'Property', 'Business interruption' and 'Theft' sections of this Policy and which are not otherwise recoverable under this Policy, up to the sum of \$5,000 or the amount shown in your Policy Schedule, whichever is the greater.

14. Outstanding accounts receivable

Subject to the terms, conditions and exclusions of 'Optional benefit - 1.' - Outstanding accounts receivable', we will automatically cover you to a limit of \$7,500 any one (1) claim, or the amount shown in your Policy Schedule whichever is the greater.

Optional benefits applying to this section

If you select any of the following optional benefits an additional premium will apply. The optional benefits you have selected will be shown in your Policy Schedule.

1. Outstanding accounts receivable

Notwithstanding the cover provided by 'Additional benefit - 14. - Outstanding accounts receivable', we will indemnify you up to the limit shown in your Policy Schedule for loss of outstanding accounts receivable resulting from loss or damage to your business records contained in the location, by events insured by the 'Property' section or 'Theft' section of this Policy.

The insurance is limited to:

- (a) the difference between:
 - (i) the outstanding accounts receivable; and
 - (ii) the total of the amount received or traced in respect thereof;
- (b) the additional expenditure incurred with our consent in tracing and establishing outstanding accounts receivable after the damage, provided that:
 - (i) if the sum insured is less than the outstanding accounts receivable, the amount payable shall be proportionally reduced;
 - (ii) as soon as possible after the end of each month, you must record and store at alternative premises the total of the outstanding accounts receivable and these figures must be kept for a period of twelve (12) months.

2. Additional increased cost of working

If you have chosen to insure the additional increased cost of working, we will pay the additional expenditure, not otherwise recoverable under any other 'Optional benefit' in this section, you reasonably incur to minimise the effect of the loss or damage to the business during the indemnity period.

In addition to 'Additional benefit - 10. - Additional increased cost of working' we will not pay any more than the sum insured for additional increased cost of working shown in your Policy Schedule.

3. Rent Default

Cover

Where Rent Default is shown on your Policy schedule we will indemnify you up to the limit specified on your Policy schedule for loss of commercial rent during the period of insurance if your tenant breaches their lease agreement with you and:

- (a) permanently vacates your commercial rental premises before the end of the tenancy period specified in the lease agreement without providing you or agent the required notice; or
- (b) ceases to pay your commercial rent owed to you or your agent and remains in default after you have issued all required notices; or
- (c) is legally evicted from your rental premises.

Cover for Rent Default will cease at the earlier of when:

- (a) Rental payment re-commences; or
- (b) the vacated premises are re-tenanted.

Basis of settlement for Rent Default Cover

Commencing from the fifth consecutive week your tenant is in default we will pay the weekly commercial rent payable as set out in the rental contract.

We will not pay for more than 13 weeks defaulted rent per location in any one policy period.

General condition "Automatic Reinstatement" does not apply to Rent Default cover.

Additional benefit for Rent Default Cover

If we have accepted a claim for Rent Default we will also pay up to \$5,000 legal costs incurred with our prior written consent to:

- (a) legally evict tenants and/or;
- (b) recover amounts owed by your tenants

Exclusions for Rent Default

We will not pay:

- (a) For the first 4 consecutive weeks of each occurrence of rent default.
- (b) If the lease agreement at the date of rent default is a periodic agreement without a specified end date.
- (c) if the lease agreement is for use of the premises for domestic or residential purposes.
- (d) if rent is already in arrears at the time this policy was first accepted.
- (e) if the rent default is contributed by and/or is the consequence of a breach by you of the lease agreement.

Conditions applying to this section

1. Co-insurance

If the sum insured on gross income is less than 80% of the annual income (or its proportionately increased multiple where the indemnity period exceeds twelve (12) months), the amount payable will be proportionally reduced. This condition will not apply if your claim is for less than 5% of the sum insured for gross income.

Example:

The Insured Gross Income is declared at \$1,000,000.

Loss of Gross Income is assessed at \$500,000 from an event covered by the Policy.

The Annual Income at the time of damage is actually \$2,500,000.

Coinsurance applies because the Gross Income sum insured is less than 80% of the insurable Annual Income.

In this example we would pay only \$250,000 of your loss of Gross Income.

Claim Payment = \$1,000,000 / (\$2,500,000 x 80%) x \$500,000 = \$250,000

2. Assistance

On the happening of damage which results in a claim as soon as practicable you must deliver to us a written statement of claim certified by an accountant and make available all books and records (including access to data stored on media) necessary for verification of the claim.

Theft section**Words with special meaning in this section**

Word or term	Meaning
Contents	All contents used in the business including stock, tools of trade, movable plant (excluding stock and motor vehicles), office machinery and equipment, furniture, works of art and curios up to \$5,000 for any one (1) item or collection of items, fixtures and fittings and fixed machinery, customers' goods for which you are responsible or for which you have assumed responsibility to insure prior to any loss, destruction or damage.
Stock	Stock in trade belonging to you or for which you are legally responsible, including all stock in which you may acquire an insurable interest during the period of insurance.

Cover

We will pay you up to the sum insured shown on your Policy Schedule for loss of or damage to property which occurs during the period of insurance at the location shown on the Policy Schedule as a result of the following events:

1. Theft or attempted theft consequent upon forcible and violent entry into any part of the building(s);
2. Theft or attempted theft by a person(s) concealed at the location after normal business hours;
3. Theft consequent upon threat of or violence to you or your employees and contractors;
4. Theft fraud or dishonesty by any of your employees that is discovered within twenty one (21) days of the theft. We will not pay more than \$2,500 during the policy period for fraud or dishonesty.

Basis of Settlement applying to this section

We will pay the cost (at our option) to reinstate or replace all contents to a condition as new other than contents which is stock and can not be replaced with the identical items. If stock can not be replaced with identical items, then we will pay the value of the stock items held in your inventories at the time of loss or damage.

Additional benefits applying to this section**1. Theft without forcible entry**

We will cover you for losses of or damage to contents (other than Stock) resulting from theft without forcible and violent entry from within the buildings at the location up to \$2,000 in any one period of insurance.

2. Replacement of locks, keys and combinations

In addition to the sum insured shown in your Policy Schedule, we will pay up to \$7,500 for the cost of:

- (a) re-coding or replacing locks, keys and combinations that are used to lock your safe, strongroom or business premises;
- (b) opening safes or strongrooms;

as a result of a claim payable by this section or if you have reasonable grounds to suspect that keys or combinations have been stolen or copied without your permission.

3. Employee's tools and equipment

We will include in the cover and sum insureds provided by this Theft section for loss or damage to contents owned by directors, partners and employees of your business if the contents are used for business purposes.

4. Seasonal Increase Period

We will increase the portion of the contents sum insured which relates to stock by 50% during seasonal increase period.

5. Loss of negotiable securities

In addition to the sum insured we will pay up to \$500 for the loss of or damage to cash, bank notes, negotiable cheques, post office money orders, negotiable securities, sales vouchers or unused postage stamps that arises out of the events covered in this Theft section other than loss or damage of negotiable securities caused by or contributed to by fraud or dishonesty of your employees.

6. Temporary protection

In addition to the sum insured we will pay you up to \$10,000 for the cost of temporary protection necessarily incurred to secure the safety of your contents pending repair of damage covered by the Property or Theft Sections of this Policy.

7. Buildings, fixtures and fittings

In addition to the sum insured we will pay up to \$10,000 for damage to buildings (as defined in the Property Section of this Policy) owned by you where the damage is caused by or attempted forcible and violent entry or exit to buildings at the insured location.

8. Rewriting records

In addition to the sum insured we will pay up to \$5,000 for additional clerical and professional costs of reinstating, restoring, rewriting or reproducing necessary written or printed documents, computer system records, business records, manuscripts, securities, deeds, and any other documents, plans, specifications, drawings and designs damaged or lost by an event covered by this Theft section.

9. Temporary removal

We will extend the Theft section cover to your contents whilst temporarily removed from your building(s) at the location(s) shown in your Policy Schedule whilst securely contained within any other locked building(s) in Australia. Cover for temporary removal ceases when your contents have been removed from the location for a period ninety (90) consecutive days.

The maximum we will pay for temporary removal is 25% of the sum insured of the location specified with the highest sum insured shown in your Policy Schedule for this section.

10. New premises (ongoing or temporary occupation) – Temporary cover

We will temporarily extend cover provided by this section to contents whilst securely contained within any newly occupied by you locked building(s) for a maximum period of thirty (30) consecutive days commencing from the date you commenced using the new location. The maximum we will pay for this additional benefit is 50% of the highest sum insured shown in your Policy Schedule for each item of property.

11. Death benefit

We will pay in addition to the sum insured \$10,000 to your estate or the estate of any person who is your Director or employee who dies within six (6) months and the death directly results from an assault that occurs during a theft or attempted theft of property covered by this section.

We will not pay more than \$10,000 in the aggregate in any one period of cover; arising out of all incidents covered by this Policy.

Optional benefit applying to this section

If you select the following optional benefit it will be shown on your Policy Schedule.

1. Theft in the open air

Cover is extended to include loss theft of contents in the open air, provided that all gates and fences are maintained and locked when your business premises are unattended.

The maximum we will pay for this optional benefit is the amount shown in your Policy Schedule.

Exclusions applying to this section

We will not cover for loss or damage;

1. to money other than cover provided in additional benefit; 'Loss of negotiable securities';
2. to growing crops, trees and plants which are not stock;
3. tobacco, cigarettes or cigars, unless shown in your Policy Schedule;
4. to animals or living organisms which are not stock;
5. to jewellery, furs, bullion, precious stones, articles containing gold, silver or other precious metals which are not stock;
6. to watercraft, aircraft or accessories, equipment or spare parts while contained in or on watercraft or aircraft unless they are stock;
7. arising from any theft where you or any person who normally resides with you is involved as a principal or accessory to the theft;
8. if you don't have optional benefit 'Theft in the open air' to contents located in yards or other open space, or any veranda, pergola, carport or other open sided structures which cannot be fully enclosed by the use of roofs, walls with lockable doors or windows.

Condition applying to this section

Intruder alarm and detection condition

If you have advised us an intruder alarm and/or intruder detection system is fitted to the premises and you are responsible for the operation of these systems, we will not pay for loss or damage of your contents unless the intruder alarm system is:

1. maintained in good condition and regularly tested in accordance with the manufacturer's recommendations; and
2. engaged and operational outside business hours.

This condition will not apply to loss or damage arising out of

1. any reasonably unavoidable interruption of the power supply or communications service to; or
2. any other unexpected malfunction; of

the intruder alarm and/or intruder detection system;

Money section

Cover

We will cover you up to the sum insured shown for each item in your Policy Schedule, less the excess, in the event of loss of or damage to money belonging to you and connected with your business:

1. in transit anywhere in Australia or in a bank's night safe.
Wages and salaries after the transit is completed is covered under the transit cover until disbursed provided that if not paid to your employee by the end of business hours on the day of transit, the money is kept in a securely locked safe or strongroom outside business hours;
2. in the building(s) during business hours;
3. in the building(s) outside business hours;
4. in the building(s) whilst contained in an automatic teller machine or a locked safe or locked strongroom;
5. at your or your employee's residence.

Additional benefits applying to this section

1. Seasonal increase period

We will increase the sums insured by 50% during a seasonal increase period for Covers 1, 2, 4 and 5. This additional benefit will not apply to Cover 3. - Money in the building(s) outside business hours.

2. New premises (ongoing or temporary occupation) – Temporary cover

We will temporarily extend cover provided by this section to money at any new Location first occupied by you during the period of insurance provided that:

- (a) this temporary cover period is limited to the lesser of:
 - (i) thirty (30) days from the date you acquire or commence using the business premises; or
 - (ii) the expiry date of the current period of insurance;
- (b) the business premises are used for the business shown in your Policy Schedule;
- (c) the new business premises comprise buildings of similar construction, fire and burglary protection as featured in any business premises shown in your Policy Schedule.

You must provide to us full details of the new business premises within thirty (30) 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 20% of the sum insured shown in your Policy Schedule for each item of money cover.

3. Travellers money

Loss of money belonging to you in the custody of an employee whilst travelling on business outside Australia, subject to a limit of \$5,000.

4. Counterfeit currency

We will indemnify you 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 \$250 in any one period of insurance.

5. Replacement of locks, keys and combinations

In addition to the sum insured shown in your Policy Schedule, we will also pay up to an amount of \$5,000 for the cost of:

- (a) re-coding or replacing locks, keys and combinations that are used to lock your safe, strongroom or business premises;
- (b) opening safes or strongrooms;

as a result of burglary or attempted burglary of business property occurring during the period of insurance and covered under this section.

Additional benefit 5. a, shall also apply if there are reasonable grounds to suspect that keys or combinations have been stolen or copied without your permission.

6. Safes, strongrooms, automatic teller machines

When you insure Money under Cover 4., we will also pay up to an amount of \$5,000 in addition to the sum insured for that item to repair or replace damaged safes, strongrooms or automatic teller machines as a result of theft or attempted theft of money.

7. Temporary protection and security guards

We will pay 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 insurance and that is insured under this section.

The limit of our liability under this additional benefit is \$3,000 for any one (1) event.

8. Death

We will pay in addition to the sum insured \$10,000 to your estate or the estate of any person who is your Director or employee who dies within six (6) months and the death directly results from an assault that occurs during a theft or attempted theft of money covered by this section.

We will not pay more than \$10,000 in the aggregate in any one period of cover; arising out of all incidents covered by this Policy.

9. Credit Cards and Electronic Funds

We will pay up to \$5,000 for loss of money from the illegal use of financial transactions or credit cards by an unauthorised person. We will not pay if the money lost was authorised or intentionally assisted by you or your employees.

Exclusions applying to this section

We will not cover loss of money:

1. due to shortage resulting from clerical or accounting errors or loss due to errors in receiving or paying out;
2. not discovered within seven working days of the occurrence;
3. due to your fraud or dishonesty or that of any member of your family, directors or partners;
4. exceeding \$2,500 during any one (1) period of insurance by or through the collusion of or any act of fraud or dishonesty by any of your employees;
5. carried by professional money carriers, professional carriers, common carriers, registered debt collectors, document carriers or Australia Post;

6. from any unattended motor vehicle;
7. from any safe or strongroom opened by a key or by use of details of combination which have been left on the business premises outside business hours.

Machinery breakdown section

Words with special meaning in this section

Word or term	Meaning
Boilers, pressure vessels and pressure pipe systems	The permanent structure of 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 the rotating, reciprocating or electrical apparatus attached to them.
Insured damage	Sudden and unforeseen physical loss or damage to the insured item which occurs during the period of insurance and requires immediate repair or replacement to allow continuation of use.
Plant and machinery	Electrical and mechanical items shown in your Policy Schedule, including electronic and other integral parts of the insured items including boilers, pressure vessels and pressure pipe systems. Plant and machinery does not include: <ol style="list-style-type: none"> 1. motor vehicles or mobile plant; 2. computers, electronic data processing equipment, office equipment, telecommunication transmitting and receiving equipment, audio visual amplification and surveillance equipment; 3. research, diagnostic and electro medical equipment; 4. televisions, videos, gambling or amusement machines; 5. lifts or escalators.

Cover

If plant and machinery at the location shown in your Policy Schedule, suffers insured damage during the period of insurance we will cover you for this loss or damage as provided in basis of settlement.

Basis of settlement

1. In the event of insured damage under this section we will pay you up to the sum insured less the applicable excess for the reasonable cost of repairs or replacement necessary to return the insured item to its former state of operation including:
 - (a) cost of dismantling, re-erection and removal of debris;
 - (b) replacement of lubricating oil and refrigerant lost from an insured item as a direct result of insured damage;
 - (c) charges for overtime and work on public holidays where necessarily and reasonably incurred;
 - (d) freight within Australia by any recognised scheduled service; and
 - (e) hire of a temporary replacement item during the time taken to repair damage to any insured item.

Provided the total of all these costs in 1. c., 1. d., and 1. e., are limited to \$15,000.

We will not pay you more than the the sum insured shown in your Policy Schedule.

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; or
 - (b) the sum insured for the insured item;
 whichever is the lesser;
3. We will not be required to replace exactly the insured item, but only as circumstances permit;
4. The value of any salvage will be subtracted from any amount payable under this section;
5. The sum insured for insured items of plant and machinery shown in your Policy Schedule will be automatically reinstated following insured damages for no extra premium;
6. The amount of each claim otherwise payable will be reduced by the amount of the excess shown in your Policy Schedule;
7. 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.

Additional benefits applying to this section

1. Property not insured

We will indemnify you for loss or damage to property not insured under this section which is owned by you or if you are responsible for loss or damage to it provided:

- (a) that loss or damage occurred within the location during the period of insurance as a direct result of impact from part of an insured item of plant and machinery; and
- (b) the loss or damage is directly caused by insured damage and occurs in circumstances where cover is provided, and not excluded under this section.

We will not pay more than the sum insured shown in your Policy Schedule for that insured item of plant and machinery as shown in your Policy Schedule for loss or damage caused to the uninsured item.

2. Increased cost of working

We will pay for costs that are incurred by you for the sole purpose of avoiding or diminishing a reduction in income from your business during the period that the plant and machinery is damaged. Provided that:

- (a) these costs are additional to your normal operating costs;
- (b) these costs are incurred because of an interruption of your normal operations that directly results from insured damage to plant and machinery that is covered by this section;
- (c) you receive our prior written approval to incur these costs;
- (d) we will not pay more than \$2,500 for increased cost of working; and
- (e) we will not pay for any costs incurred during the first forty eight (48) hours following the loss.

3. Newly installed items

We will temporarily extend cover provided by this section to cover additional items of plant and machinery that are installed during the period of insurance, provided that this temporary cover is limited to the lesser of:

- (a) thirty (30) days from the date you installed the additional items of plant and machinery; or
- (b) the expiry date of the current period of insurance.

You must provide to us full details of the new items within thirty (30) 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 sum insured shown in your Policy Schedule.

Optional benefit applying to this section

If you select the following optional benefit it will be shown in your Policy Schedule. An additional premium will apply.

Deterioration of stock in cold storage

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 shown in your Policy Schedule or an item covered under warranty or maintenance agreement and caused by deterioration or putrefaction as a result of:

1. insured damage to the refrigeration machinery;
2. sudden and unforeseen failure of the public power supply;
3. operation or failure to operate, of 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;
4. contamination of the stored stock by the accidental escape of refrigerant into the cold chamber; or
5. sudden leakage of refrigerant from the refrigeration machinery or pipe system forming part of the refrigeration machinery;

occurring during the period of insurance at the insured location shown on the policy schedule.

Basis of settlement

1. We will pay you the indemnity value or the contracted price from your usual customer whichever is the higher for lost or damaged stock calculated immediately prior to the loss or damage occurring, but we will not pay more than the sum insured shown in your Policy Schedule for the stock less the applicable excess.
2. The amount of each claim otherwise payable shall be reduced by the amount of the excess shown in your Policy Schedule.

We will not pay more than the sum insured shown on the Policy Schedule.

Special exclusions for deterioration of stock in cold storage

We will not pay for:

1. any loss or damage due to shrinkage, inherent defects or diseases;
2. loss or damage caused by improper storage, collapse of the packing material or storage structure;
3. penalties for delay or detention or consequential loss or damage or liability of any nature whatsoever;
4. loss or damage following loss of public power supply due to:
 - (a) the deliberate act of any public power supply authority;
 - (b) the decision by any public power supply authority to restrict or withhold supply;
5. loss of or damage to any living animal, plant, fungus or organism. This special exclusion does not apply to semen; embryos; medical and veterinarian serums, vaccines, and antigens.

Special condition for deterioration of stock in cold storage

An increase of 25% in the limit of indemnity under this optional benefit shall apply during the following periods (unless otherwise shown in your Policy Schedule):

1.
 - (a) four weeks prior to and including Christmas Day;
 - (b) one week after and including 26 December;
2.
 - (a) two weeks prior to and including Easter Tuesday;
 - (b) one week after but not including Easter Tuesday;

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.

The sum insured under this optional benefit shall be automatically reinstated following insured damage for no extra premium.

Exclusions applying to this section

We will not pay for:

1. 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 motor vehicles, 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 overloading of any insured item.
2. the cost of:
 - (a) replacement of expendable items such as belts, filters, fuses, electric heating elements, electrical contacts, thermostats, thermal expansion valves, cutting blades, crushing surfaces, glass or porcelain, ceramics, chains, seals, links, dies and moulds, conveyor belting, lubricants, fuel and any transfer media;
 - (b) replacement of component parts worn through normal machine operation;
 - (c) adjustment, cleaning, purging or recharging of refrigeration or air conditioning equipment;
 - (d) repairs to piping and other ancillary systems due to cracking of pipe work; or
 - (e) 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.

- (f) maintenance work including but not limited to the tightening of loose parts, recalibration or adjustments;
- (g) alteration, additions, improvements or overhauls whether carried out in the course of repairs covered by this policy or as a separate operation;

- (h) modification or alteration of insured plant which has suffered insured damage 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;
 - (i) replacement or repair, caused by gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation);
 - (j) replacement of lighting equipment, reticulating electrical wiring, reticulating liquid and gas piping and ducting;
 - (k) repair of scratches or painted or polished surfaces unless caused by insured damage;
 - (l) repair of slowly developing deformation or distortion of any part;
 - (m) repair of blisters, laminations, flaws or grooving even when accompanied by leakage;
 - (n) damage caused to insured item or items caused by any hydraulic testing;
 - (o) repairs to valves, fittings, glands, joints, gaskets, pipes, lines and connections which are defective or leaking;
 - (p) repairs to shaft keys requiring tightening, fitting renewal;
 - (q) damage caused by the movement of foundations, masonry or brick work; or
 - (r) removal and installation of underground well casings, and redrilling or extending bore holes;
3. consequential loss of any kind or description whatsoever;
 4. costs you are entitled to recover for labour and parts under a maintenance agreement, warranty, guarantee or indemnity in your favour by the manufacturer or any other person.

Conditions applying to this section

1. Reasonable steps

On the happening of any occurrence which might give rise to a claim under the machinery breakdown section, in addition to complying with general conditions applicable to all sections of the Policy for claims you must:

- (a) take all reasonable steps to minimise the extent of the loss; and
- (b) preserve any damaged or defective plant or items and make them available to us for inspection.

2. Operating damaged plant

Our liability will cease for any plant which has sustained damage and is operated without having been repaired in a manner consistent with the generally accepted rules of engineering practice.

3. Underinsurance

Where you have declared to us the quantity of machinery items; and

- (a) we have shown in your Policy Schedule that all blanket machinery at the business premises is covered (with or without machinery exclusions); and
- (b) the actual total number of the machinery items at the business premises exceeds the quantity declared by more than two machinery items,

we will reduce the amount we pay by the proportion the quantity of declared and machinery items bears to the number of machinery items at the business premises at the time of loss.

4. Inspection

You shall permit us or our representative at all reasonable times the right to inspect and examine any items insured by this section.

You or your repairer is to keep all machinery or parts for a period of thirty (30) days after you have reported (in writing) a loss or damage to us and allow us access, at our cost, to inspect the machinery or parts. If you do not keep the machinery or parts, we may refuse to pay part or all of a claim.

Your repairer will be required to make written records showing adequate details of loss or damage to machinery, cause of loss or damage, work done and parts replaced. If you do not ensure the repairer complies with the request, we may refuse to pay part or all of a claim.

5. Testing and Commissioning

We will not cover your for any claims until after completion of successful initial testing and commissioning of new or additional plant and equipment.

Electronic equipment section

Words with special meaning in this section

Word or Term	Meaning
Electronic data	The information stored on the electronic data media including software programs.
Electronic data media	Non-volatile magnetic or optical discs or tapes or solid state semiconductor memory used in the computer to store the information.
Electronic plant	All computers, word processors including all ancillary equipment attached thereto, software, other electronic equipment as shown in your Policy Schedule as insured items.
Insured damage	Sudden and unforeseen physical loss or damage to the insured item which occurs during the period of insurance and requires immediate repair or replacement to allow continuation of use, caused by vibration, power surge, low voltage, mechanical, electrical and electronic breakdown.
Software	The collection of programs which cause a computer to perform a desired operation or series of operations.

Cover

We will cover you for insured electronic plant shown in your Policy Schedule which is at the location (or is at other premises for the sole purpose of maintenance, repair or service) suffers insured damage during the period of insurance.

Basis of settlement

1. In the event of insured damage we will pay the cost of replacement or repairs necessary to return the insured electronic plant to its former state of operation including:

- cost of dismantling, re-erection, testing and removal of debris;
- charges for overtime and work on public holidays where necessarily and reasonably incurred; and
- freight within Australia by any recognised scheduled service; provided that the costs in clauses 1. b., and 1. c., are limited to 50% of the normal cost of repair payable under this section.

We will not pay more than the sum insured shown in your Policy Schedule.

2. No deduction will be made for depreciation or 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 as follows:

- the sum insured for the insured item shown in your Policy Schedule; or
- for insured items less than six years old the cost of replacement of the insured item by an 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; or
- for insured items six years or older, the installed value of the insured item will be depreciated by 10% per annum for each year of service to a maximum of 70%.

Our liability will be the lessor of 3. a., 3. b., or 3. c., less the applicable excess.

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 excess applicable to such insured items.

6. The amount of each claim otherwise payable shall be reduced by the amount of this excess shown in your Policy Schedule.

Conditions applying to this section

1. Initial testing and commissioning

This insurance only applies after completion of successful testing and commissioning.

2. Follow manufacturers instructions

You must maintain, service and use the electronic plant in accordance with the manufacturers instructions. If you do not we may reduce the amount we pay.

3. Maintenance agreements

If a maintenance agreement is shown in your Policy Schedule, we will not pay your claim unless the maintenance agreement is current at the time of the insured damage.

4. Underinsurance

Where you have declared to us the quantity of electronic plant items; and

- we have shown in your Policy Schedule that all electronic plant at the business premises is covered; and
- the actual total number of the electronic plant items at the business premises exceeds the quantity declared by more than four electronic items,

we will reduce the amount we pay by the proportion the quantity of declared electronic plant items bears to the number of electronic plant items at the business premises at the time of loss.

Optional benefits applying to this section

If you select any of the following optional benefits an additional premium will apply. The optional benefits you have selected will be shown in your Policy Schedule.

1. Electronic data and electronic data media

We will indemnify you for insured damage to the electronic data and electronic data media caused solely as the result of insured damage to the computer which is shown in your Policy Schedule for an amount not exceeding the sum insured.

Basis of settlement

We will pay you for such insured damage up to the sum insured less the applicable excess shown in your Policy Schedule including:

- (a) the actual cost of replacement of lost or damaged 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 will only be liable for costs and expenses incurred within a period of twelve (12) months following the insured damage within the period of insurance.
- (d) This optional benefit only applies whilst the insured electronic data media is:
 - (i) at the location;
 - (ii) at a media storage location; or
 - (iii) temporarily at an alternative location for processing purposes or in transit between any of these locations.
- (e) The amount of each claim otherwise payable shall be reduced by the amount of the excess shown in your Policy Schedule.

Exclusions for electronic data and media

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 of processing unless such loss or distortion occurs:
 - (i) at the location due to insured damage to an electronic plant which is shown in your Policy Schedule; or
 - (ii) at another location temporarily for processing purposes due to insured damage to the electronic plant which would be indemnifiable if the electronic plant was insured under this section;
- (b) loss or distortion caused by computer virus being an executable programme or computer code segment that is self-replicating, requires a host programme or executable disc segment in which it can be contained and which destroys or alters the host programme or other computer code or data causing undesired programme or computer system operation;
- (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 section;
- (e) consequential loss of any kind or description whatsoever;
- (f) work undertaken without our approval other than for minor or provisional repairs;

There is no cover under this optional benefit in respect to any insured item which has been operated without being satisfactorily repaired following insured damage;

- (g) the cost of restoring data created more than three (3) months before the insured damage causing loss of data that has not been backed up on alternative electronic data media.

2. Increased cost of working

Cover

We will indemnify you as set out in basis of settlement below up to the sum insured for any reasonable and necessary additional costs of operating your business directly resulting from interruption or interference to your business as shown in your Policy Schedule to prevent a reduction in turnover but only if:

- (a) the interruption or interference is as a result of insured damage to the electronic plant shown in your Policy Schedule; and
- (b) 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.

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 electronic plant by the use of substitute equipment to maintain normal business operation during the interruption up to the sum insured shown in your 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 time excess shown in your Policy Schedule will begin upon the commencement of use of a substitute electronic plant.
- (c) We will be liable for additional expenditure incurred during the actual period of the interruption but not exceeding the period shown in your Policy Schedule as the indemnity period.
- (d) The total of all claims payable under this optional benefit during the period of insurance will not exceed the aggregate of the sum insured shown in your Policy Schedule.
- (e) We will not be liable for loss, damage or costs incurred by you during the time excess.
- (f) The amount of each claim otherwise payable shall be reduced by the amount of the excess shown in your Policy Schedule.

Special exclusions

We will not pay for:

- (a) the costs incurred during:
 - (i) interruption due to the carrying out of alterations, additions, overhauls or improvements to the electronic plant;
 - (ii) interruption due to the carrying out of cleaning, adjustment, inspection or maintenance of the electronic plant; 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 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 or 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 location and any overseas place of repair or replacement; or
 - (iv) the time required to engage and transport overseas specialists or consultants to assist in or supervise local repairs.

Special condition

For the purpose of this 'Optional benefit – 2. - Increased cost of working' only, Exclusion 2. h. does not apply.

Exclusions applying to this section

We will not pay for:

1. 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 motor vehicles, aircraft or watercraft;
 - (f) earthquake, subterranean fire or volcanic eruption;
 - (g) landslide or subsidence;
 - (h) storm, tempest, flood, windstorm or cyclone;
 - (i) water escaping, discharged or leaking from any source which is external to the electronic plant insured;
 - (j) theft or attempts thereat;
 - (k) intentional or malicious damage;
 - (l) atmospheric conditions, moisture or changes in temperature unless directly resulting from damage to or malfunction of air conditioning equipment;
 - (m) software viruses or other disruptive programming techniques.

We will not cover:

1. Insured damage to electronic data and electronic data media unless you have computers insured.
2. 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, toner, ink, fuses;
 - (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 section;
 - (c) maintenance work;
 - (d) alterations, additions, improvements or overhauls whether carried out in the course of indemnifiable repairs or as a separate operation;
 - (e) replacement or repair following gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation);

- (f) temporary repairs unless they constitute part of the final repairs and do not increase the total repair costs;
 - (g) repairs of scratches to painted or polished surfaces unless caused by such insured damage; or
 - (h) 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 insured item or any other person.
3. Consequential loss of any kind or description whatsoever, subject to any extension selected by you.

Conditions applying to this section

1. Claims

On the happening of any occurrence which might give rise to a claim under this section you must, in addition to complying with general conditions applicable to all sections for claims:

- (a) take all reasonable steps to minimise the extent of the loss;
- (b) preserve any damaged or defective plant or items and make them available to us for inspection.

2. Our liability

Our liability will cease for any electronic plant which has sustained damage and is operated without having been repaired in a manner consistent with the generally accepted rules of engineering practice.

3. Inspection

You will permit us or our representative at all reasonable times the right to inspect and examine any items insured by this section.

Broadform liability section

Words with special meaning in this section

Word or term	Meaning
Aircraft	Any vessel, craft or thing made or intended to fly or move in or through the atmosphere or space.
Business	The business shown in your Policy Schedule including the provision and management of canteens, social, sports and welfare organisations for the benefit of your employees, first aid, fire and ambulance services and the maintenance of your premises.
Incidental Contracts	<ol style="list-style-type: none"> 1. Any written rental agreement or lease of real or personal property not requiring an obligation to insure such property or be liable regardless of fault. 2. 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, but not contracts in connection with work done for these authorities or entities. 3. Any written contract with any railway authority for the loading, unloading or transport of your products including contracts relating to the operations of railway sidings or right of access to railway property.

Word or term	Meaning
Internet operations	<ol style="list-style-type: none"> 1. use of electronic mail system; 2. access through your network to the world wide web or a public Internet site; by you or your employees, including part time and temporary staff, contractors and others within your business; 3. 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 business; and 4. the operation and maintenance of your web site.
Limit of Liability	The amount shown in your Policy Schedule.
Medical persons	Legally qualified medical practitioners, legally qualified nurses, dentists and first aid attendants
Occurrence	An event which results in personal injury or property damage, neither expected nor intended from your standpoint. All personal injury or property damage, arising out of continuous or repeated exposure to substantially the same general conditions shall be construed as arising out of one (1) occurrence
Personal injury	<ol style="list-style-type: none"> 1. bodily injury (and this expression includes death and illness), disability, shock, fright, mental anguish, mental injury; 2. false arrest, wrongful detention, false imprisonment or malicious prosecution; 3. wrongful entry or eviction; 4. a publication or utterance of a libel or slander or other defamatory or disparaging material; 5. assault and battery not committed by you or at your direction unless reasonably committed for the purpose of preventing or eliminating danger to person or property
Pollutant	Any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled reconditioned or reclaimed.
Property damage	<ol style="list-style-type: none"> 1. physical damage to, loss or destruction of tangible property including any resulting loss of use of that property; or 2. loss of use of tangible property which has not been physically damaged, lost or destroyed provided such loss of use is caused by an occurrence.
You, your (this section only)	<ol style="list-style-type: none"> 1. the insured shown in your Policy Schedule; 2. all your subsidiary companies (now or subsequently constituted) provided their places of incorporation are within Australia or any Territory of Australia; 3. every director, executive officer, employee, partner or shareholder of yours or in a company designated in 1. or 2. but only whilst acting within the scope of their duties in such capacity;

Word or term	Meaning
	<ol style="list-style-type: none"> 4. every principal of yours, in respect of that principal's liability caused by the performance of work for that principal, but subject always to the extent of coverage and the limit of liability provided by this Policy; 5. every office bearer or member of social and sporting clubs, canteen and welfare organisations and first aid, fire and ambulance services formed with your consent (but not an insured designated in paragraph 4. or 6.) in respect of claims arising from their duties connected with the activities of any such club, organisation or service; 6. each partner, joint venturer, co-venturer or joint lessee of yours but only: <ol style="list-style-type: none"> (a) with respect to liability incurred as the partnership, joint venture, co-venture, joint lease; and (b) provided the partnership, joint venture, co-venture, joint lease has been notified to us within sixty (60) days of formation and shown in your Policy Schedule; 7. any director or senior executive of yours in respect of private work undertaken by your employees for such director or senior executive. <p>You/your does not include the interest of any other person other than as described in 1. to 7. above.</p>
Your products	Any goods, products and property after they have ceased to be in the possession or under your control, which are or is deemed to have been manufactured, grown, extracted, produced, processed, constructed, erected, installed, repaired, serviced, treated, sold, supplied or distributed by you (including any container thereof other than a motor vehicle).
Vehicle	Any type of machine on wheels or self laid tracks made or intended to be propelled by other than manual or animal power, and any trailer or other attachment made or intended to be drawn by any such machine
Watercraft	Any vessel, craft or thing made or intended to float on or in or travel on or through or under water.

Cover

1. Liability

We will pay to you or on your behalf all sums you become legally liable to pay by way of compensation in respect of personal injury or property damage happening during the period of insurance and caused by an occurrence in connection with your business.

2. Defence of claims

With respect to the indemnity provided by this Policy we will:

- (a) defend in your name and on your behalf any claim or legal action against you seeking damages on account of personal injury or property damage, even if the action is groundless, false or fraudulent, we will investigate, negotiate and settle any claim or legal action as we see fit;

- (b) pay all expenses incurred by us, all costs taxed against you in any such suit and all interest accruing after entry of judgement until we have paid tendered or deposited in court such part of the judgement as does not exceed the limit of our liability;
- (c) reimburse you for all reasonable expenses, other than loss of earnings, you incur in connection with the defence of a claim or legal action that we have consented to reimburse;
- (d) pay reasonable expenses incurred by you for first aid to others at the time of personal injury caused by an occurrence (other than medical benefits or expenses prohibited by Australian Law)

The amount covered by 2. Defence of claims; will be paid by us in addition to the limit of liability other than;

- (a) any claim or judgement or to defend any claim or legal action after the limit of liability has been exhausted by payment of judgements or settlements;
- (b) when a payment exceeding the limit of liability has to be made to dispose of a claim; the amount we will pay is limited to the proportion of those costs, expenses and interest as the limit of liability bears to the amount paid to dispose of the claim.

3. Limit of Liability

- (a) Our maximum liability in respect of any claim or any series of claims for personal injury or property damage caused by or arising out of one (1) occurrence shall not exceed the limit of liability.
- (b) Our total aggregate liability during any one (1) period of insurance for all claims arising out of your products shall not exceed the limit of liability.

Conditions applying to this section

1. Jurisdiction

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

2. Joint insureds

Where you comprise more than one (1) party each of the parties will be considered as a separate and distinct unit and the words you and your shall be considered as applying to each party in the same manner as if a separate policy had been issued to each of them provided that nothing in this condition will result in an increase of our limit of liability in respect of any occurrence or period of insurance.

3. Notices

You must as soon as possible give to us notice in writing of:

- (a) every occurrence, claim, writ, summons, proceeding, impending prosecution, and inquest together with all relevant information which may result in a claim under this Policy, whether or not you believe any claim amount might fall below the applicable excess;
- (b) every change that comes to your knowledge which materially varies any of the facts or circumstances existing at the commencement of this Policy.

Any notice given in writing by us to the first named insured shown on your Policy Schedule will be treated as notice to each of the parties you comprise.

Service of notices by us will be effective immediately on receipt by you of a letter or electronic communication sent from us or in the case of notices by post, three business days after having been posted by us.

4. Subrogation

In the event of a payment under this Policy to or on behalf of you we will, subject to the *Insurance Contracts Act 1984* (Cth), be subrogated to all your rights of recovery against all persons and organisations and you must execute and deliver instruments and papers and do everything that is necessary to assist us in the exercise of those rights.

5. Discharge of liabilities

We may at any time pay to you in respect of all claims against you arising from an occurrence the balance of the limit of liability or any smaller sum for which the claim or claims can be settled and upon that payment we will relinquish conduct or control of and be under no further liability under this section in connection with those claims except for costs, charges and expenses:

- (a) recoverable from you for all or part of the period prior to the date of such payment;
- (b) incurred by us;
- (c) incurred by you with our written consent of prior to the date of such payment.

6. Reasonable care

You must:

- (a) exercise reasonable care that only competent employees are employed and take reasonable measures to maintain all business premises, fittings and plant in sound condition;
- (b) take all reasonable precautions to prevent personal injury and property damage, and prevent the manufacture, sale or supply of defective products;
- (c) comply with and ensure that your employees, servants and agents comply with all statutory obligations, by-laws or regulations imposed by all relevant public authorities for the:
 - (i) safety of persons or property;
 - (ii) disposal of waste products;
 - (iii) handling, storage or use of flammable liquids or substances, gases or toxic chemicals.
- (d) at your own expense take reasonable action to trace recall or modify any of your products containing any defect or deficiency of which you have knowledge or have reason to suspect, including (but not limited to) any of your products subject to governmental or statutory ban.

7. Inspection of property

- (a) we will be permitted but not obligated to inspect your property and operations at any time;
- (b) neither our right to inspect nor our failure to inspect, nor the making of any inspection nor any report of an inspection may be used by you or others in any action or proceeding involving us;
- (c) we may examine and audit your books and records at any time during the period of insurance and within three (3) years thereafter but that examination and audit will be restricted to matters which in our opinion are relevant to the Policy.

8. Adjustment of premium

- (a) if the first or renewal premium for the Policy has wholly or partly been calculated on estimates furnished by you, then within thirty (30) days after the expiry of each period of insurance you must provide to us such matters, particulars and information relevant to the Policy as we may reasonably require. The premium for the period will then be adjusted and any difference paid by or allowed to you as the case may be, provided that the adjusted premium will not be less than any minimum premium shown in your Policy Schedule;

- (b) you must keep a record of all matters, particulars and information requested by us and must on reasonable notice allow us or our nominee to inspect and make copies of those records.

Exclusions applying to this section

We do not cover liability in respect of:

1. Employment liability

Liability imposed:

- (a) by any workers' compensation law;
- (b) by the provision of any industrial award, 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, agreement or determination or contract of employment or workplace agreement; or
- (c) for and in respect of any liability arising out of any wrongful or unfair dismissal, denial of natural justice, defamation, misleading representation or advertising, harassment or discrimination directly or indirectly related to employment or prospective employment of any person or persons by you.

Provided that if you are:

- (a) required by law to insure or otherwise fund, whether through self insurance, statutory fund or other statutory scheme, all or part of any common law liability (whether limited or not) for such personal injury; or
- (b) not required to so insure or otherwise fund such liability by reason only that the personal injury is to a person who is not a worker or employee for the purposes of the relevant worker's compensation law or the personal injury is not an injury which is subject to such law.

Then this policy section will respond to the extent that your liability would not be covered under such fund, scheme, policy of insurance or self insurance arrangement had you complied with your obligations pursuant to such law.

2. Property in custody or control

Property damage to:

- (a) property owned by or leased or rented to you; or
- (b) property in your physical or legal control.

Exclusion 2. - 'Property in custody or control' does not apply to liability for property damage to:

- (a) business premises (including landlord's fixtures and fittings) which are leased or rented to you;
- (b) business premises (or their contents) not owned, leased or rented by you but temporarily occupied by you;
- (c) vehicles (not belonging to or used by or on your behalf) while the motor vehicles are in a car park that you do not receive payment for the parking of the vehicles;
- (d) the property of an employee of yours or of one of your subsidiary companies.
- (e) all other property not listed in a. to d. above in your physical or legal control, subject to a maximum limit of liability for any one (1) occurrence of \$250,000 or the amount shown in your Policy Schedule, which could be (\$0) nil.

3. Product defect

Property damage to your products if the damage is attributed to any defect in them or to their harmful nature or unsuitability.

4. Loss of use

Loss of use of tangible property which has not been physically injured, or lost or destroyed resulting from:

- (a) a delay in or lack of performance by or on your behalf of any agreement;
- (b) the failure of your products to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by you, but this exclusion does not apply to the loss of use of other tangible property resulting from the sudden and accidental physical damage to, or loss or destruction of your products after they have been put to use by any person or organisation other than those in items 1. or 2. of definition "you/your".

5. Product recall

Claims arising out of or resulting from the withdrawal, inspection, repair, replacement or loss of use of your products or of any property of which they form a part, if such products or property are withdrawn from the market or from use because of any known or suspected defect or deficiency in them.

6. Aircraft, aircraft products and watercraft

Claims arising out of -

- (a) the ownership, maintenance, operation or use by you of:
 - (i) any aircraft; or
 - (ii) any watercraft exceeding eight metres in length, except where such watercraft is owned and operated by others and is being used by you for business entertainment.
- (b) your products that are aircraft component parts used for maintaining an aircraft in flight or moving upon the ground or used in the construction of an aircraft hull or machinery which to your knowledge is incorporated in an aircraft.

7. Motor vehicles

Personal injury or property damage arising out of the ownership, possession, operation, maintenance or use by you of any motor 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 any legislation (whether or not that insurance is effected).

Exclusion - 7. Motor vehicles a., and b., above do not apply to personal injury and property damage caused by:

- (i) the loading or unloading of goods to or from any motor vehicle,
- (ii) or arising from the operation or use of any motor vehicle which is designed primarily for lifting, lowering, loading, unloading, digging or drilling whilst being operated or used by you or on your behalf within the confines of your business premises,
- (iii) the use of any tool or plant forming part of or attached to or used in connection with any motor vehicle (except whilst the motor vehicle is travelling, transporting or carting goods) at any work site.

8. Contractual liability

Any obligation assumed by you under any agreement except to the extent that:

- (a) the liabilities would have been implied by law if the contractual liability or obligation had not been agreed to;

- (b) the liabilities arises from a provision in a contract for lease of real or personal property other than a provision which obliges you to effect insurance or provide indemnity in respect of the subject matter of that contract;
- (c) the liabilities are assumed under incidental contracts;
- (d) The liabilities are assumed under those agreements specified on your Policy Schedule.

9. Professional liability

The rendering of or failure to render professional advice or service by you or any related error or omission, but this exclusion does not apply to:

- (a) the rendering of or the failure to render professional medical advice by medical persons employed by you to provide first aid and other medical services on your business premises; or
- (b) personal injury or property damage arising therefrom providing such professional advice or service is given for no fee.

10. Defamation

The publication or utterance of defamatory matter:

- (a) made prior to the commencement of the period of insurance; or
- (b) made by you or at your direction with knowledge of its falsity; or
- (c) related to advertising, broadcasting, or telecasting activities conducted by or on your behalf.

11. Pollution

- (a) personal injury or property damage caused by or arising out of the discharge, dispersal, release or escape of pollutants into or upon land, the atmosphere, or any water course or body of water, but Exclusion - 11. Pollution does not apply if the discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended and takes place in its entirety at a specific time and place;
- (b) any costs and expenses incurred in the prevention, removing, nullifying or clean-up of such contamination or pollution but Exclusion - 11. Pollution does not apply to cleanup, removal or nullifying expenses only, which are consequent upon a sudden, identifiable, unexpected, unintended happening taking place in its entirety at a specific time and place which results in personal injury and/or property damage.

Our liability under Exclusion - 11. Pollution (a) and (b) in respect of any one (1) discharge, dispersal, release, escape and for all discharges, dispersals, releases and escape of Pollutants during any one (1) period of insurance shall not exceed the limit of liability.

12. Territorial limits

- (a) claims made and actions instituted within the United States of America (USA) or Canada or any other Territory coming within the jurisdiction of the courts of the USA or Canada;
- (b) claims and actions to which the laws of the USA or Canada apply;

provided that:

- (a) Exclusion - 12. Territorial limits does not apply to claims and actions arising from the presence outside Australia of any person who normally resides in Australia and who is not undertaking manual work or supervision of work of any kind whilst in the USA or Canada;

- (b) the limit of liability in respect of cover provided under Exclusion - 12. Territorial limits is inclusive of all costs, expenses and interest as set out in cover – 2. Defence of claims of this section.

13. Exports to the USA or Canada

Claims in respect of personal injury and/or property damage caused by or arising out of your products knowingly exported by you, or your agents or servants, to the USA or Canada.

14. Asbestos

Any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from, in consequence of, contributed to or aggravated by asbestos in whatever form or quantity.

15. Faulty workmanship

For the cost of performing, completing, correcting or improving any work undertaken by you.

16. Fines, penalties or liquidated damages

For the cost of fines penalties or liquidated damages imposed on you.

17. Punitive damages

Punitive damages, exemplary damages, aggravated damages and any additional damages resulting from the multiplication of compensatory damages.

18. Assault and battery

Personal injury or property damage caused by or arising from assault and battery committed by you or at your direction unless reasonably necessary for the protection of persons or property.

19. Defect in design

Any defective or deficient design or error in specification or formula provided by you for a fee.

20. Inefficacy of computers, computer software and computer consulting

- (a) property damage to computer data, or any consequential loss resulting from such property damage, resulting from your use of any computer hardware and/or software;
- (b) any claims based upon or arising from any act, error, or omission in the provision of computer services by you or on your behalf.

21. Treatment or dispensing

- (a) The treatment of humans or animals for any physical or mental deficiency, injury, illness or disease; or
- (b) the dispensing of drugs, medicines, pharmaceuticals, supplies or artificial aids;

except as provided under Exclusion 9. Professional liability under this section;

22. Molestation

The molestation of or interference with any person by:

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

Further, we will not have any duty to defend any action, suit or proceedings brought against you (or any other person or body corporate who might otherwise, but for Exclusion - 22. Molestation of this section, be entitled to indemnity under this Policy) which either directly or vicariously seeks compensation in respect of such molestation or interference as above or any personal injury resultant therefrom.

23. Participants

Personal injury or property damage to property of any person caused by or arising out of the participation of such person or his/her property in any sporting exercise or activity such as, but not limited to aerobics, athletics, any competitive team event, all codes of football, activities under, on or in water, racing of any kind, aerial activities or equestrian activities. This exclusion does not apply to people racing while only using their own feet for movement or playing golf, lawn bowls and similar sports.

24. Welding activities

Claims caused by or arising out of grinding, arc or flame cutting, flame heating, arc or gas welding or similar operation, unless such activity is conducted in strict compliance with the Australian Standard AS1674. 1-1997 (Safety in welding and allied processes) or any subsequent amendments or replacement Australian Standards.

25. Internet operations

Personal injury or property damage arising, directly or indirectly, out of, or in any way involving your Internet operations.

This exclusion does not apply to personal injury or property damage arising out of any material which is already in print by the manufacturer in support of its product, including but not limited to product use and safety instructions or warnings, and which is also reproduced on its site.

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

26. Electronic data and media

For property damage to electronic and/or computer data or programs and their storage media arising directly or indirectly out of or caused by, through or in connection with:

- (a) the use of any electronic and/or computer hardware or software;
- (b) the provision of electronic and/or computer and/or telecommunication services by you or on your behalf;
- (c) the use of electronic and/or computer hardware or software belonging to any third party, whether authorised or unauthorised including damage caused by any computer virus

Optional covers applying to this section

If you select any of the following optional covers an additional premium will apply. The optional cover you have selected will be shown in your Policy Schedule.

Definition applying to optional cover 1., 2., and 3., only:

In optional covers 1., 2., and 3., 'Motor vehicle' has a special meaning. The meaning is shown below.

'Motor vehicle'

Any mechanically or electrically powered machine (including but not limited to automobiles, trucks and motorcycles) that does not run on rails and is legally allowed to transport persons or goods on public roads and highways.

Motor vehicle includes any trailer or caravan intended to be towed by such a machine, but not any Aircraft or Watercraft.

1. Motor trade - Inspection reports and certificates - Personal injury or property damage

Optional cover 1. is applicable only if shown in your Policy Schedule.

Exclusion - 9. Professional liability of this section does not apply to:

- (a) your certification of road-worthiness or design compliance in respect of any motor vehicle, which is carried out by you or on your behalf under statutory authority or license and in such manner or form as required under the provisions of any Act or Regulation relating to motor vehicles;
- (b) motor vehicle condition reports provided by you after inspection, whether such are commissioned for the purposes of sale or purchase or in connection with any servicing or maintenance carried out by you.

2. Motor trade - Inspection reports and Certificates (financial losses only)

Optional cover 2. is applicable only if shown in your Policy Schedule.

For the purposes of optional cover 2., only, Definition - Occurrence and any reference to that definition is deleted and replaced with the following:

'Wrongful Act'

Any actual or alleged breach of duty, neglect, error, omission, misstatement, misleading statement or other act committed or allegedly committed by you.

Wrongful Act does not include any event which results in personal injury or property damage.

Exclusions - 4. Loss of use, 8. Contractual liability, and 9. Professional liability, of this Broadform Liability Section do not apply to:

- (a) your certification of road-worthiness or design compliance in respect of any motor vehicle, which is carried out by you or on your behalf under statutory authority or license and in such manner or form as required under the provisions of any Act or Regulation relating to motor vehicles;
- (b) motor vehicle condition reports provided by you after inspection, whether such are commissioned for the purposes of sale purchase or in connection with any servicing or maintenance carried out by you.

The maximum we will pay under this optional cover 2., is \$1,000,000 in the aggregate for all claims in any one (1) period of insurance.

3. Motor trade - Faulty workmanship

Optional cover 3. is applicable only if shown in your Policy Schedule.

Exclusion - 15. Faulty workmanship of this section does not apply to the cost of performing, completing, correcting or improving any work that is undertaken by you provided that the work:

- (a) was undertaken on a motor vehicle; and
- (b) was carried out during the period of insurance, or any earlier period during which this Policy, or any policy that this Policy replaced had been held with us; and
- (c) has caused property damage to the motor vehicle.

The maximum we will pay under this optional cover 3. is:

- (a) \$15,000 for any one (1) occurrence, net of any mark-up for parts, transport, labour and profit; and
- (b) \$25,000 for all claims in any one (1) period of insurance.

4. Consumer protection cover for Queensland electricians

Optional cover 4. is applicable only in relation to electrical work performed in Queensland and if shown in your Policy Schedule.

Words with special meaning in optional cover 4.

Word or term	Meaning
Broadform products liability	The Policy of insurance covering an occurrence which caused personal injury to a third party, or any loss or damage to the property of a third party other than the work itself, directly or indirectly arising from the activities as an electrical contractor directly or indirectly arising from your products or activities.
Certificate of Test	The certificate required under Section 169 of the <i>Electricity Act and Regulations 2002</i> (Qld.).
Completed electrical work	<ol style="list-style-type: none"> electrical work for which the electrical contractor has issued a certificate of test; or work the electrical contractor has connected to supply.
Consumer protection	<p>Any consequential financial loss reasonably incurred by the building owner as a result of any defects or non completion of the electrical work (as described in this optional cover 4.) including but not limited to:</p> <ol style="list-style-type: none"> any loss of any deposit or progress payments or any part of progress payments; the cost of alternative accommodation, removal and storage costs that are reasonably and necessarily incurred; and non completion of electrical work due to: <ol style="list-style-type: none"> the death or legal incapacity of the electrical contractor; the disappearance of the electrical contractor; the electrical contractor becoming insolvent under administration; the cancellation or suspension of the electrical contractor's licence under the <i>Electricity Act and Regulations 2002</i> (Qld.); the early termination of the contract by the building owner as a result of the electrical contractor's wrongful failure or refusal to complete the electrical work.
Contract	A written agreement to carry out electrical work and includes a domestic building contract or other building contract that includes electrical work.
Defects in domestic electrical work	<ol style="list-style-type: none"> A failure to carry out electrical work consistent with current electricity legislation, industry practices and standards and in accordance with any plans and specifications set out in the contract; a failure to use materials in the electrical work that are good and suitable for the purpose for which they are used; the use of materials in the electrical work that are not new unless the contract expressly permits the use of materials that are not new;

Word or term	Meaning
	<ol style="list-style-type: none"> a failure to carry out the electrical work in accordance with and in compliance with all laws and legal requirements or any applicable Australian or other relevant standard or code of practice including without limiting the generality of this paragraph, the <i>Electricity Act 2002</i> (Qld.) with any amendments and regulations made under that Act; a failure to carry out electrical work with due care or skill and in the case of domestic electrical work a failure to complete the electrical work: <ol style="list-style-type: none"> by the date or within the period specified by the contract within a reasonable time if no date or period is specified; if the contract states the particular purpose for which the electrical work is required or the result which the building owner wishes the work to achieve so as to show that the building owner relies on the electrical contractor's skill and judgement, a failure to ensure that the electrical work and any materials used in carrying out the electrical work: <ol style="list-style-type: none"> are fit for the purpose; are of such a nature and quality that they will achieve that result; or a failure to maintain a standard or quality of electrical work specified in the contract; a reference to any material in sub-clause 3. 4. or 7. above does not include any material that is supplied by the building owner or the building owner's agent.
Disappearance	Cannot be found after due search and enquiry.
Domestic dwelling	<p>Any residential premises but other than:</p> <ol style="list-style-type: none"> any residence that is not intended for permanent habitation; or a rooming house; a motel, residential club, residential hotel, or residential part of licensed premises; a nursing home, hospital, or accommodation associated with a hospital; or the common areas under the control of the Body Corporate in residential villas, townhouses, duplex, triplex, quadruplex or home units which make up the Body Corporate; any watercraft.
Domestic electrical work	Work for a domestic dwelling proprietor or for individual proprietors of single domestic dwellings forming part of residential villas, townhouses, duplex, triplex, quadruplex or home units.
Electrical work	Has the meaning defined in the <i>Electricity Act and Regulations 2002</i> (Qld)

Word or term	Meaning
Insolvent under administration	A person who is bankrupt in respect of a bankruptcy from which the person has not been discharged and includes a person: <ol style="list-style-type: none"> 1. who has executed a deed of arrangement under Part X of the <i>Bankruptcy Act (Cwth)</i>, (or the corresponding provisions of the law of another jurisdiction) where the terms of the deed have not been fully complied with; and 2. whose creditors have accepted a composition under Part X of the <i>Bankruptcy Act (Cwth)</i>, (or the corresponding provisions of the law of another jurisdiction) where a final payment has not been made under that composition.
Limit of liability	The limit of liability shown in your Policy Schedule.
Trade practices liability	Any liability that arises as a result of conduct by the electrical contractor that contravenes the <i>Competition and Consumer Act 2010 (Cth)</i> and the <i>Fair Trading Act 1989 (Qld)</i> other than any fine or penalty imposed by such contravention.

Cover

In our Broadform liability section you will find cover for public liability and products liability. In optional cover 4. you will find cover for:

1. defects in electrical works;
2. trade practices liability;
3. liability arising from the testing of your own work and the work of others;
4. defects in domestic electrical work - Resultant and personal injury, property damage or loss arising from incorrect advice or design;
5. defects in domestic electrical work - Non-completion of domestic electrical work;
6. consumer protection.

Limit of liability

Our liability under optional cover 4. is limited to:

1. in respect of trade practices liability the maximum amount we will pay is the cost of rectifying the relevant electrical work;
2. for all other liability referred to in cover - 1., 3., 4., 5., and 6. the maximum amount we will pay is
 - (a) \$50,000 per any one (1) claim or service of claim in relation to a Certificate of Test or if the Certificate of Test relates to more than one (1) home;
 - (b) \$50,000 in respect of each domestic installation.
3. for the reasonable legal costs and expenses associated with successful enforcement of a claim against you or us.

Exclusions applying to optional cover 4.

1. We do not cover you for any loss, damage or liability resulting from -
 - (a) a product defect provided that:
 - (i) we bear the onus of establishing that the claim (or part of a claim) is based on a product defect; and
 - (ii) we agree that nothing in this Exclusion 1. removes the cover given to you by optional cover 4. in relation to you supplying or using any appliance, material, substance or other thing that you were aware was defective, or that you should reasonably be aware was defective.

- (b)
 - (i) fair wear and tear or depreciation of electrical work; or
 - (ii) a failure by the building owner to reasonably maintain the electrical work.
2. for consequential financial loss resulting from non-domestic electrical work.
 3. directly or indirectly caused by, contributed to, or arising from exposure to asbestos.
 4. we do not cover you in respect of all legal costs of any person making a claim against you that are not directly or indirectly related to:
 - (a) the enforcement of this Policy; or
 - (b) a liability in respect of which you are covered under this Policy.
 5. we do not cover you for claims for liquidated damage for delay or damages for delay that may arise under contract provided that this exclusion does not apply to increases in rectification costs caused by a delay.

Conditions applying to optional cover 4.

1. **Period that insurance must cover**
 - (a) for the liabilities referred to in cover 1., 2., and 4., of optional cover 4, you are only covered in respect of electrical work of which a Certificate of Test is required from the time you agree to carry out that work until:
 - (i) seven years after you last issued the compliance certificate in relation to that work; or
 - (ii) if you did not issue a compliance certificate in relation to the work, seven (7) years after you stopped carrying out that work.
 - (b) you are covered in respect of electrical work for which a compliance certificate is required for completed electrical work liability that arises from personal injury to a third party or loss or damage to the property of a third party (other than property that is part of the electrical work itself) that occurs during the period of insurance caused by an occurrence that happens in connection with the carrying out of the electrical work (regardless of when the electrical work was carried out),
 - (c) cover 1., 2., and 4., of optional cover 4. continues to apply throughout the relevant period specified in special condition 1. a. of optional cover 4. even if you cease to be a licensed or registered electrician before the end of that period and even if you cease to maintain this Policy.
2. **Insurer to comply with court orders, etc.**

We agree to comply with any order made against you by a court, the disputes or any other competent judicial body, in respect of any liability for which you are indemnified under this Policy (including any excess that you may be obliged to pay to us).

3. Limitation for common property

- (a) this Condition 3., applies if a claim is paid by us in relation to the common property of a building or complex or multiple homes and the property in which the building or complex stands, and on which electrical work is carried out, is subject to the *Subdivision Act 1988*;
- (b) we will reduce the amount we pay under this Policy in respect of any one (1) home in the building or complex by an amount calculated by dividing the amount of the claim paid by us by the number of homes in the building or complex.

4. Limitation concerning non-completion of work

If you fail to complete electrical work for any reason then this Policy does not cover you for claims for the whole or a specified part of any payment made under a contract that exceeds the value of the work completed at the time of payment.

5. Deemed acceptance of claims

This Condition 5.:

- (a) applies in relation to domestic electrical work only;
- (b) does not apply in relation to completed electrical works liability;
- (c) we agree to accept liability for a claim if we do not notify the person making the claim within ninety (90) days from when we receive the claim in writing that we accept or dispute the claim, unless we obtain an extension of time from the person in writing or from the Disputes Tribunal.

6. Ministerial order to prevail in the case of conflict with this Policy

We agree that if any term of this Policy conflicts, or is inconsistent with the electrical contractors insurance requirements which outlines the requirements for electrical contractors insurance required under Section 43 of the *Electricity Act and Regulations 2002* (Qld) then this Policy is to be read and to be enforceable as if it complied with that document.

7. Claims not to be refused on the grounds that Policy obtained by fraud, etc.

- (a) this Condition 7. only applies in relation to domestic electrical work only;
- (b) we agree that we will not refuse to pay a claim (other than a claim in respect of completed electrical work liability) under this Policy on the ground that this Policy was obtained by misrepresentation, fraud or non-disclosure by you or anyone acting on your behalf;
- (c) you agree that if we make a payment under this Policy to, or for the benefit of, a building owner under the circumstances contemplated by this Condition 7, by doing so we are not restricting our right to recover that payment from you.

8. Insurer must give effect to certificates

- (a) this Condition 8. only applies in relation to domestic electrical work;
- (b) if we give you a certificate stating that you are covered by insurance, we agree that we will not refuse to pay a claim on that insurance (other than a claim in respect of completed electrical work liability) under this Policy on the ground that you have not paid the premium for the insurance;
- (c) you agree that if we make a payment under this Policy to, or for the benefit of, a building owner under the circumstances contemplated by this Condition 8. c , by doing so we are not restricting our right to recover that payment from you.

9. Deemed notice of defects

We agree that if a person gives notice of defects in writing to you or us, that person is to be taken for the purposes of this Policy to have given notice of all defects of which the defect notified are directly or indirectly related, whether or not the claim in respect of the defects that were actually notified has been settled.

10. Claimant may enforce this Policy directly in certain cases

We and you both agree:

- (a) that a person who is entitled to claim against you in respect of any liability for which you are indemnified under this Policy may enforce this Policy directly against us for the person's own benefit if:
 - (i) any event listed in cover of optional cover 4. occurs; or
 - (ii) you refuse to make a claim against us; or
 - (iii) there is an irretrievable breakdown of communication between you and us; and
- (b) that for the purpose of such enforcement the person has the same rights and entitlements as you would have had under any legislation applicable to you; and

- (c) that we will pay to the person the full amount of any liability for which you are indemnified under this Policy despite any failure by you to pay any excess that you are required to pay.

11. Section 54 of the *Insurance Contracts Act 1984* to apply

- (a) we acknowledge that Section 54 of the *Insurance Contracts Act 1984* (Cth) applies to this Policy;
- (b) despite Condition 11 a., we agree that we will not rely on Section 54 to reduce our liability under this Policy or to reduce any amount that is otherwise payable in respect of a claim by reason only of a delay in a claim being notified to us if:
 - (i) the person who makes the claim notifies you, either orally or in writing; or
 - (ii) that person or you notifies us in writing within 180 days of the date when the person first became aware, or might reasonably be expected to have become aware, of some fact or circumstance that might give rise to the claim.

12. Notification concerning claims settled

We and you both agree that we will notify the Electrical Licensing Board in writing in the manner required by the Electrical Licensing Board of the settling of any claim under this Policy.

13. Conflicting provisions

- (a) Nothing in optional cover 4. should be read as limiting indemnity under this optional cover with respect of any defect as a result of any error in design, specification formula or pattern or the provision of advice that is incidental to any electrical work undertaken by the electrician;
- (b) to the extent that Condition 13. a. is in conflict with any other condition in optional cover 4., Condition 13. a., will prevail.

14. Excess

You are liable to pay us in respect of each claim paid by us under this Policy the amount paid by us or the amount shown in your Policy as the excess. Provided you are not liable to pay an excess more than once in relation to any claim comprising more than one (1) defect or two or more claims that relate to the same defect.

15. You must co-operate with us

- (a) you agree in relation to a claim or prospective claim:
 - (i) to make reasonable efforts to assist and inform us or our agent; and
 - (ii) to attend the relevant building site for the purpose of inspecting, rectifying or completing electrical work (unless the building owner refuses you access to the site);
- (a) we may reduce the amount of a claim by a building owner by an amount that reasonably represents the cost resulting from an unreasonable refusal by the building owner to give you access to a building site if we have asked you to attend the site.

16. Provision concerning cancellation

We agree that the cancellation of this Policy:

- (a) will only take effect thirty (30) days after we give both the Electrical Licensing Board and you notice in writing of the cancellation; and
- (b) has no effect on any of our obligations under this Policy with respect to the liabilities referred to in cover 1., 2., and 4. of optional cover 4. in relation to electrical work that was carried out while this Policy was in force; and
- (c) has no effect on any of our obligations under this Policy with respect to the liabilities referred to in cover 3., and 4., of optional cover 4. in relation to any personal injury to a third party or loss or damage to the property of a third party (other than property that is part of the electrical work itself) that occurred while this Policy was in force.

5. Victorian plumbers liability

Optional cover 5. applies only in respect of plumbing work performed in Victoria.

Words with special meaning in optional cover 5

Word or term	Meaning
Building owner	The person for whom plumbing work has been, is being, or is about to be, carried out and includes: <ol style="list-style-type: none"> any occupier of the land, building or home where the plumbing work is carried out; and any person who is the owner for the time being of that land, building or home; and if the plumbing work is carried out on land in a plan of subdivision containing common property, the body corporate for that land or a building on that land; and any assignee of the building owner's rights under a contract; and any person who has contracted with another person to provide the plumbing work.
Completed work liability	Any liability that arises as a result of any personal injury to a third party, or loss or damage to the property of a third party (other than property that is part of the plumbing work itself), directly or indirectly related to or arising from the plumbing work: <ol style="list-style-type: none"> after the issue of the Compliance Certificate for the plumbing work; or if you do not issue a Compliance Certificate for the plumbing work, plumbing work which you carried out but only after you stopped carrying out that work.
Compliance certificate	A certificate referred to in Section 221ZH of the <i>Building Act 1993 (Vic)</i> .
Contract	A contract to carry out plumbing work and includes a domestic building contract or other building contract that includes plumbing work.
Defects	In relation to plumbing work includes: <ol style="list-style-type: none"> a failure to carry out the plumbing work in a proper and workmanlike manner and in accordance with any plans and specifications set out in the contract; failure to use materials in the plumbing work that are good and suitable for the purpose for which they are used; the use of materials in the plumbing work that are not new (unless the contract permits use of materials that are not new); a failure to carry out the plumbing work in accordance with, and in compliance with, all laws and legal requirements including, without limiting the generality of item 4. of this definition, the <i>Building Act 1993 (Vic)</i> and any regulations made under that Act;

Word or term	Meaning
	<ol style="list-style-type: none"> a failure to carry out the plumbing work with reasonable care and skill and, in the case of domestic plumbing work, a failure to complete the work; <ol style="list-style-type: none"> by the date (or within the period) specified by the contract; or within a reasonable time, if no date (or period) is specified; if the contract states the particular purpose for which the plumbing work is required, or the result which the building owner wishes the plumbing work to achieve, so as to show that the building owner relies on your skill and judgement, a failure to ensure that the plumbing work and any material used in carrying out the plumbing work: <ol style="list-style-type: none"> are reasonably fit for that purpose; or are of such a nature and quality that they might reasonably be expected to achieve that result; a failure to maintain a standard or quality of plumbing work specified in the contract.
	A reference to any material in the meaning of defect, 2., or 6., does not include any material that is supplied by the building owner (or the building owner's agent).
Defects liability	Liability to pay for the costs of rectifying any defect in your plumbing work carried out in Victoria.
Disappearance	Cannot be found after due search and inquiry.
Domestic plumbing work	Plumbing work performed or intended to be performed on or in relation to: <ol style="list-style-type: none"> a home; or any building or structure on land on which a home is or is intended to be situated.
Home	Any residential premises and includes any part of a commercial or industrial premises that is used as a residential premises and also includes any house boat that is less than eight (8) metres in length, but does not include: <ol style="list-style-type: none"> any residence that is not intended for permanent habitation; or a rooming house within the meaning of the <i>Residential Tenancies Act 1997 (Vic)</i>; or a motel, a residential club, a residential hotel or a residential part of licensed premises under the <i>Liquor Control Reform Act 1998 (Vic)</i>; or a nursing home, a hospital or accommodation associated with a hospital; or any residence that the regulations made under the <i>Domestic Buildings Contracts Act 1995 (Vic)</i> state is not a home for the purposes of the definition of 'Home' in that Act.

Word or term	Meaning
Insolvent under administration	<p>A person who:</p> <ol style="list-style-type: none"> under the <i>Bankruptcy Act 1966</i> (Cwth) or the law of an external Territory, is a bankrupt in respect of a bankruptcy from which the person has not been discharged; or under the law of an external Territory or the law of a foreign country, has the status of an undischarged bankrupt; <p>and includes:</p> <ol style="list-style-type: none"> a person any of whose property is subject to control under: <ol style="list-style-type: none"> section 50 or Division 2 of Part X of the <i>Bankruptcy Act 1966</i> (Cwth); or a corresponding provision of the law of an external Territory or the law of a foreign country; or a person who has executed a personal insolvency agreement under: <ol style="list-style-type: none"> Part X of the <i>Bankruptcy Act 1966</i> (Cwth); or the corresponding provisions of the law of an external Territory or the law of a foreign country <p>where the terms of the agreement have not been fully complied with.</p>
The Ministerial Order	The Licensed Plumbers General Insurance Order 2002 made under Section 221ZQ and 221ZT of the <i>Building Act 1993</i> (Vic).
Non-domestic plumbing work	Plumbing work that is not domestic plumbing work.
Product defect	A defect in any appliance, material, substance or other thing that was supplied or used by you in connection with plumbing work.
Plumbing work	Has the same meaning as in Section 221C of the <i>Building Act 1993</i> (Vic).
Trade practices liability	Any liability for the cost of rectifying any defect in plumbing work carried out in Victoria that arises as a result of conduct by you in connection with the plumbing work that contravenes Section 198, 19, 34, 60 or 61 of the <i>Competition and Consumer Act 2010</i> (Cth) or Section 9, 11 or 12 of the <i>Fair Trading Act 1999</i> (Vic).

Cover

We will cover you for:

- defects liability;
- trade practices liability;
- In respect of domestic plumbing work carried out in Victoria any liability arising from:
 - any consequential financial loss reasonably incurred by the building owner as a result of any defects or non-completion of the plumbing work (as described in cover 3. b.), including but not limited to:
 - the loss of any deposit or progress payment (or any part of any deposit or progress payment); and
 - the cost of alternative accommodation, removal and storage costs that are reasonably and necessarily incurred; and

- non-completion of the plumbing work due to:
 - your death or legal incapacity;
 - your disappearance;
 - you becoming an insolvent under administration;
 - the cancellation or suspension of your licence as a licensed plumber under the *Building Act 1993* (Vic); or
 - the early termination of the contract by the building owner as a result of your wrongful failure or refusal to complete the plumbing work.

The cover provided under cover 3. b., also applies to any contract for both domestic plumbing work and non-domestic plumbing work in which the non-domestic plumbing component does not exceed 20% of the total contract value.

Limit of liability

We will pay up to:

- \$50,000 for any one (1) claim or series of claims in relation to domestic plumbing work for which a compliance certificate is required, (or if a compliance certificate relates to more than one (1) home, an amount not exceeding \$50,000 for each home).
- \$100,000 for any one (1) claim or series of claims in relation to a compliance certificate for non-domestic plumbing work.
- the reasonable cost of rectifying plumbing work under the trade practices liability cover.

The most we will pay under optional cover 5., in any one (1) period of insurance is \$5,000,000.

Defence of claims

In addition to the limit of liability we also pay the reasonable legal costs and expenses associated with the successful enforcement of a claim against you or us.

However, we will not pay the legal costs of any person making a claim against you that are not directly or indirectly related to:

- the enforcement of optional cover 5.; or
- a liability in respect of which you are covered under optional cover 5.

Provided that:

- we will not be obliged to pay any claim or judgement or to defend any claim or legal action after the limit of liability has been exhausted by payment of judgements or settlements;
- if a payment exceeding the limit of liability has to be made to dispose of a claim, our liability to pay any legal costs and expenses under this clause will be limited to that proportion of those legal costs and expenses as the limit of liability bears to the amount paid to dispose of the claim.

Exclusions applying to optional cover 5.

We do not cover you for:

- any defects liability resulting from a product defect provided that:
 - we bear the onus of establishing that the claim (or part of the claim) is based on a product defect; and
 - we agree that nothing in this exclusion removes the cover given to you by optional cover 5. in relation to you supplying or using an appliance, material, substance or other thing that you were unaware was defective or that you should not reasonably have been aware was defective.
- any loss, injury or damage resulting from:
 - fair wear, tear or depreciation of plumbing work; or
 - a failure by the building owner to reasonably maintain plumbing work.

3. any consequential financial loss in relation to non-domestic plumbing work.
4. claims for liquidated damages for delay, or damages for delay, that may arise under a contract provided that this exclusion does not apply to any increase in rectification costs caused by the delay.

Conditions applying to optional cover 5.

1. Period of cover

For defects liability, trade practices liability and liabilities referred to in cover 3. of optional cover 5., you are only covered in respect of plumbing work for which a compliance certificate is required from the time you agree to carry out that work until:

- (a) six (6) years after you last issued the compliance certificate in relation to that work; or
- (b) if you did not issue a compliance certificate in relation to the work, six (6) years after you stopped carrying out that work.

The cover provided for defects liability, trade practices liability and liabilities referred to in cover 3., of optional cover 5., continues to apply throughout the relevant period specified in this condition even if you cease to be a licensed plumber before the end of that period and even if you cease to maintain optional cover 5.

2. We will comply with court orders

We agree to comply with any order made against you by a court, the Victorian Civil and Administrative Appeals Tribunal or any other competent judicial body, in respect of any liability for which you are indemnified under this optional extension, (including any excess that you may be obliged to pay to us).

3. Deemed acceptance of claims

Applies in relation to domestic plumbing work only.

We agree to accept liability for a claim if we do not notify the person making the claim within ninety (90) days from when we receive the claim in writing that we accept or dispute the claim, unless we obtain an extension of time from the person in writing or from the Victorian Civil and Administrative Appeals tribunal

4. Ministerial Order to prevail in the case of conflict

We agree that if any term of optional cover 5., conflicts, or is inconsistent, with the Ministerial Order, then this optional extension is to be read and to be enforceable as if it complied with that Order.

5. Claims not to be refused on the grounds that the Policy obtained by fraud, etc.

Applies in relation to domestic plumbing work only.

We agree that we will not refuse to pay a claim under optional cover 5., on the ground that optional cover 5., was obtained by misrepresentation, fraud or non-disclosure by you or anyone acting on your behalf.

You agree that if we make a payment under optional cover 5., to, or for the benefit of, any other person under the circumstances contemplated by Condition 5., by doing so we are not restricting our right to recover that payment from you.

6. We give effect to certificates

Applies in relation to domestic building work only:

If we give you a certificate stating that you are covered by insurance under optional cover 5., we agree that we will not refuse to pay a claim on that insurance on the ground that you have not paid the premium for the insurance.

You agree that if we make a payment under optional cover 5., to, or for the benefit of, any other person under the circumstances contemplated by Condition 6., by doing so we are not restricting our right to recover that payment from you.

7. Deemed notice of defects

We agree that if a person gives notice of a defect in writing to you or us, that person is to be taken for the purposes of optional cover 5., to have given notice of every defect of which the defect notified is directly or indirectly related, whether or not the claim in respect of the defect that was actually notified has been settled.

8. Claimant may enforce this optional extension direction

In certain cases we and you both agree that:

- (a) a person who is entitled to claim against you in respect of any liability for which you are indemnified under optional cover 5., may enforce optional cover 5., directly against us for the person's own benefit if:
 - (i) any event listed in cover 3. b., of optional cover 5., occurs; or
 - (ii) you refuse to make a claim against us; or
 - (iii) there is an irretrievable breakdown of communication between you and us;
- (b) for the purpose of such enforcement the person has the same rights and entitlements as you would have had under any legislation applicable to you;
- (c) we will pay to the person the full amount of any liability for which you are indemnified under optional cover 5., despite any failure by you to pay any excess that you are required to pay.

9. Section 54 of the Insurance Contracts Act

- (a) we acknowledge that Section 54 of the *Insurance Contracts Act 1984* (Cth) applies to this Policy.
- (b) despite this Condition 9. a., we agree that we will not rely on Section 54 of the *Insurance Contracts Act 1984* (Cth) to reduce our liability under optional cover 5. or to reduce any amount that is otherwise payable in respect of a claim by reason only of a delay in a claim being notified to us if:
 - (i) the person who makes the claim notifies you either orally or in writing; or
 - (ii) that person or you notifies us in writing;

within 180 days of the date when the person first became aware, or might reasonably be expected to have become aware, of some fact or circumstance that might give rise to a claim.
- (c) nothing in Condition 9., restricts the operation of Condition 1., applicable to optional cover 5.

10. Provision concerning cancellation

Applies in relation to domestic building work only:

We agree that the cancellation of this Policy:

- (a) will only take effect thirty (30) days after we give both the Plumbing Industry Commission and you notice in writing of the cancellation; and
- (b) has no effect on any of our obligations under the Policy with respect to the liabilities referred to under cover of optional cover 5., in relation to plumbing work that was carried out while optional cover 5., was in force.

11. Notification of claims settled

We and you both agree that we will notify the Plumbing Industry Commission in writing in the manner required by the Minister of the settling or payment of any claim under optional cover 5.

12. Limitation for common property

Applies in relation to when plumbing work is carried out on land in a plan of subdivision containing common property and a claim is paid by us in relation to the common property.

We will reduce the amount we will pay under optional cover 5., in respect of any one (1) home on land in the plan of subdivision by an amount calculated by dividing the amount of the claim paid by us in relation to the common property by the number of homes on land in the plan of the subdivision.

13. Limitation concerning non-completion of work

If you fail to complete plumbing work for any reason listed in cover 3., then optional cover 5., does not cover you for claims for the whole or a specified part of any payment made under a contract that exceeds the value of the work completed at the time of payment.

14. You must co-operate with us

- (a) You agree in relation to a claim or prospective claim:
- (i) to make reasonable efforts to assist and inform us or our agent; an
 - (ii) to attend the relevant building site for the purpose of inspecting, rectifying or completing plumbing work (unless the building owner refuses you access to the site).
- (b) We may reduce the amount of a claim by a building owner by an amount that reasonably represents the cost resulting from an unreasonable refusal by the building owner to give you access to a building site if we asked you to attend the site under this Condition 14. (a) (ii).

6. Electrical contractor occupational licensing for Tasmania

Optional cover 6., applies in respect of electrical work performed in Tasmania only.

Words with special meaning in optional cover 6.

Word or term	Meaning
Administrator	The Administrator appointed under section 10 of the <i>Occupational Licensing Act 2005</i> .
Building owner	The person for whom prescribed work has been, is being, or is about to be, carried out and includes: <ol style="list-style-type: none"> (a) any occupier of the land, building or home where the prescribed work is carried out; (b) any person who is the owner for the time being of that land, building or home; (c) if the prescribed work is carried out on land in a plan of subdivision containing common property, the body corporate for that land or a building on that land; (d) any assignee of the building owner's rights under a contract; and (e) any person who has contracted with another person to provide that prescribed work.
Certificate of compliance	The approved form referred to in Regulation 17(2) of the Occupational Licensing (electrical work) Regulations 2008.
Contract	A contract, whether in full or in part, to carry out prescribed work and includes a domestic building contract or other building contract that includes prescribed work.
Defects	Defects in prescribed work include: <ol style="list-style-type: none"> 1. any work that is defective work in the terms of the <i>Occupational Licensing Act 2005</i>;

Word or term	Meaning
	<ol style="list-style-type: none"> 2. a failure to carry out the work in a proper and workmanlike manner and in accordance with any plans and specifications set out in the contract; 3. a failure to use materials in the work that are good and suitable for the purpose for which they are used; 4. the use of materials in the work that are not new (unless the contract permits use of materials that are not new); 5. a failure to carry out the work in accordance with, and in compliance with, all laws and legal requirements including, without limiting the generality of item 5 of this definition, the <i>Occupational Licensing Act 2005</i> and any regulations made under that Act; 6. a failure to carry out the work with reasonable care and skill and, in the case of prescribed work, a failure to complete the work: <ol style="list-style-type: none"> (a) by the date (or within the period) specified by the contract, or (b) within a reasonable time, if no date (or period) is specified. 7. if the contract states the particular purpose for which the work is required, or the result which the building owner wishes the work to achieve, so as to show that the building owner relies on the practitioner's skill and judgement, a failure to ensure that the work and any material used in carrying out the work: <ol style="list-style-type: none"> (a) are reasonably fit for that purpose; or (b) are of such a nature and quality that they might reasonably be expected to achieve that result; 8. a failure to maintain a standard or quality of prescribed work specified in the contract. <p>A reference to any material in the meaning of defects 3. or 7., applying to this optional cover does not include any material that is supplied by the building owner (or the owner's agent).</p>
Disappearance	Cannot be found after due search and inquiry.
Domestic prescribed work	Prescribed work performed or intended to be performed on or in relation to: <ol style="list-style-type: none"> (a) a home; or (b) any building or structure on land on which a home is or is intended to be situated.
Home	Any residential premises and includes any part of a commercial or industrial premises but does not include: <ol style="list-style-type: none"> (a) any residence whose primary purpose is not for permanent habitation; or (b) a building in which there is one (1) or more rooms available for occupancy on payment of rent in which the total number of people who may occupy those rooms is not less than four; or (c) a motel, club, or hotel used in whole or in part as a residence for temporary habitation; or

Word or term	Meaning
	(d) a nursing home, a hospital or accommodation associated with a nursing home hospital.
Licence holder	A person holding a licence under the <i>Occupational Licensing Act 2005</i> .
Non-domestic prescribed work	Any prescribed work that is not domestic prescribed work.
The Notice	The General Insurance Notice 2008.
Policy	Contract of insurance.
Prescribed work	Any work that by virtue of the determination of the Administrator may only be lawfully performed by the holder of a licence.
Product defect	A defect in any appliance, material, substance or other thing that was supplied or used by you in connection with prescribed work.
Trade Practices liability	Any liability that arises as a result of conduct by the licence holder in connection with the prescribed work that contravenes sections 52, 53, 55A or 74 of the <i>Trade Practices Act 1974</i> of the Commonwealth or sections 14, 16 or 21 of the <i>Fair Trading Act 1990</i> (Tasmania).

Cover

Optional cover 6., in conjunction with this section provides cover in accordance with the Occupational Licensing General Insurance Notice 2008 and includes:

1. any liability to pay for the cost of rectifying any prescribed work required because of defects in the prescribed work;
2. any Trade Practices liability.

We will also cover:

3. any liability arising from any consequential financial loss reasonably incurred by the building owner as a result of any defects or non-completion of the domestic prescribed work (as described in cover 4.), including but not limited to:
 - (a) the loss of any deposit or progress payment (or any part of any deposit or progress payment); and
 - (b) the cost of alternative accommodation, removal and storage costs that are reasonably and necessarily incurred; and
4. any liability arising from non-completion of the domestic prescribed work due to:
 - (a) his or her death or legal incapacity; or
 - (b) his or her disappearance; or
 - (c) his or her becoming an insolvent under administration as that expression is defined in the *Corporations Act*; or
 - (d) the cancellation, suspension or non-renewal of his or her licence under the *Occupational Licensing Act 2005*; or
 - (e) the early termination of the contract by the building owner as a result of the licence holder's wrongful failure or refusal to complete the prescribed work.
5. non-completion of the domestic prescribed work (as described in cover 4.) in the case of any contract for both domestic and non-domestic prescribed work in which the non-domestic prescribed work component does not exceed 20% of the total contract value.
6. any act or omission of any person engaged under a contract of services or a contract for services by the licence holder to carry out prescribed work.
7. any act or omission of any person engaged under a contract of services or a contract for services by you to carry out prescribed work.

Limit of liability

Our liability under optional cover 6. is limited to:

1. in respect of Trade Practices liability the maximum amount we will pay is the cost of rectifying the relevant electrical work; and
2. in respect of domestic prescribed work an amount of \$50,000 for any one (1) claim or series of claims in relation to a Certificate of Compliance (or if the Certificate of Compliance relates to more than one (1) home, at least \$50,000 for each home); and
3. in respect of non-domestic prescribed work an amount of \$100,000 for any one (1) claim or series of claims in relation to a Certificate of Compliance; and
4. for the reasonable legal costs and expenses associated with the successful enforcement of a claim against you or us.

Exclusions applying to optional cover 6.

1. Six (6) year limitation on claims

We will not accept any claims including claims for prescribed work first notified to us after the expiration of six (6) years from:

- (a) the date of a Certificate of Compliance; or
- (b) if you did not issue a Certificate of Compliance in relation to the work that is insured, six (6) years after you stopped carrying out that work.

2. Non-completion of work

If you fail to complete prescribed work for any reason listed in cover 1., then this Policy does not cover you for claims for the whole or a specified part of any payment made under a contract that exceeds the value of the work completed at the time of payment.

3. Product liability

- (a) This Policy does not cover you for any loss or damage giving rise to a claim under cover 1., resulting from a product defect.
- (b) However, we agree that if we intend to rely on the fact this Policy does not cover you for product defects in relation to any claim (or part of a claim), we bear the onus of establishing that the claim (or part of the claim) is based on a product defect.
- (c) We agree that nothing in this Exclusion 3., removes the cover given to you by this Policy in relation to you supplying or using any appliances, material, substance or other thing that you were aware was defective, or that you should reasonably have been aware was defective.

4. Wear and tear

This Policy does not cover you for any injury, loss or damage resulting from:

- (a) fair wear, tear or depreciation of prescribed work; or
- (b) a failure by the building owner to reasonably maintain prescribed work.

5. Consequential loss

This Policy does not cover you for consequential financial loss in relation to non-domestic prescribed work

6. Exposure to asbestos

This Policy does not cover you for any injury, loss or damage directly or indirectly caused by, contributed to, or arising from, exposure to asbestos.

7. Legal costs

This Policy does not cover you in respect of the legal costs of any person making a claim against you that are not directly or indirectly related to:

- (a) the enforcement of the Policy; or
- (b) a liability in respect of which you are covered under this Policy.

8. Liquidated damages for delay

- (a) This Policy does not cover you for claims for liquidated damages for delay, or damages for delay, that may arise under a contract.
- (b) However, we agree that nothing in this Exclusion 8., removes the cover given to you by this Policy in relation to any increase in rectification costs caused by a delay.

Conditions applying to optional cover 6.

1. The Notice to prevail in the case of conflict with Policy

We agree that if any term of this Policy conflicts, or is inconsistent, with the Notice, then this Policy is to be read and to be enforceable as if it complied with that Notice.

2. Insurer to comply with court notices etc.

We agree to comply with any notice made against you by a court of competent jurisdiction.

3. Deemed acceptance of claims

Condition 3., only applies to domestic prescribed work.

We agree to accept liability for a claim if we do not notify the person making the claim within ninety (90) days from when we receive the claim in writing that we accept or dispute the claim, unless we obtain an extension of time from the person in writing.

4. Claims not to be refused on the grounds that the Policy obtained by fraud etc.

Condition 4., only applies in relation to domestic prescribed work.

- (a) We agree that we will not refuse to pay a claim under optional cover 6. on the ground that this Policy was obtained by misrepresentation, fraud or non-disclosure by you or anyone acting on your behalf.
- (b) You agree that if we make a payment under this Policy to, or for the benefit of, a building owner under the circumstances contemplated by this Special condition 4. b., by doing so we are not restricting our right to recover that payment from you.

5. Insurer must give effect to certificates

Condition 5., only applies in relation to domestic prescribed work.

- (a) If we give you a certificate stating that you are covered by insurance, we agree that we will not refuse to pay a claim on that insurance under this optional cover 6. on the ground that you have not paid the premium for the insurance.
- (b) You agree that if we make a payment under this Policy to, or for the benefit of, a building owner under the circumstances contemplated by this Condition 5. b., by doing so we are not restricting our right to recover that payment from you.

6. Deemed notice of defects

We agree that if a person gives notice of a defect in writing to you or us, that person is to be taken for the purposes of this Policy to have given notice of every defect of which the defect notified is directly or indirectly related, whether or not the claim in respect of the defect that was actually notified has been settled.

7. Claimant may enforce Policy direction in certain cases

We and you both agree:

- (a) that a person who is entitled to claim against you in respect of any liability for which you are indemnified under this Policy may enforce this Policy directly against us for the person's own benefit if:
 - (i) any event under cover 3., or 4., occurs; or
 - (ii) you refuse to make a claim against us; or
 - (iii) there is an irretrievable breakdown of communication between you and us; and

- (b) that for the purpose of that enforcement the person has the same rights and entitlements as you would have had under any legislation applicable to you; and
- (c) that we will pay to the person the full amount of any liability for which you are indemnified under this Policy despite any failure by you to pay any excess that you are required to pay.

8. Section 54 of the Insurance Contracts Act 1984 to apply

- (a) We acknowledge that Section 54 of the *Insurance Contracts Act 1984* of the Commonwealth applies to this Policy.
- (b) Despite Condition 8. a., we agree that we will not rely on Section 54 to reduce our liability under this Policy or to reduce any amount that is otherwise payable in respect of a claim by reason only of a delay in a claim being notified to us if:
 - (i) the person who makes the claim notifies you either orally, or in writing; or
 - (ii) that person or you notifies us in writing;
 - within 180 days of the date when the person first became aware, or might reasonably be expected to have become aware, of some fact or circumstance that might give rise to the claim.

9. Notification concerning claims settled

We and you both agree that we will notify the Administrator in writing in the manner required by the Administrator of the settling or payment of any claim under the Act.

10. You must co-operate with us

- (a) You agree, in relation to a claim or prospective claim, to:
 - (i) make reasonable efforts to assist and inform us or our agent; and
 - (ii) to attend the relevant site for the purpose of inspecting, rectifying or completing prescribed work (unless the building owner refuses you access to the site).
- (b) We may reduce the amount of a claim by a building owner by an amount that reasonably represents the cost resulting from an unreasonable refusal by the owner to give you access to a building site if we have asked you to attend the site under Condition 10. a. ii.

11. Provision concerning cancellation

We agree that the cancellation of this Policy:

- (a) will only take effect thirty (30) days after we give both the Administrator and you notice in writing of the cancellation; and
- (b) has no effect on any of our obligations under the Policy with respect to the liabilities referred to in cover 1., 2., 3., and 4., in relation to prescribed work that was carried out while the Policy was in force; and
- (c) has no effect on any of our obligations under the Policy with respect to the liabilities referred to in this section of this Policy in relation to any personal injury to a third party or loss or damage to the property of a third party (other than property that is part of the prescribed work itself) that occurred while the Policy was in force.

12. Period that insurance must cover

You must have insurance that indemnifies you in respect of prescribed work for which a Certificate of Compliance is required for the liabilities referred to in cover 1., 2., 3., and 4., from the time you agree to carry out that work until:

- (a) Six (6) years after you last issued a Certificate of Compliance in relation to that work; or
- (b) if you do not issue a Certificate of Compliance in relation to the work, six (6) years after the date you stopped carrying out the work.

The indemnity provided by the insurance for the liabilities referred to in cover 3., 4., and 5., will continue to apply throughout the relevant period specified in Condition 12. a., even if you cease to be a licence holder before the end of that period and even if you cease to maintain the Policy under which the insurance is provided.

13. Contrary provisions

Any provision that limits the indemnity provided under the Policy with respect to any defect as a result of:

- (a) any loss or damage to that part of the property on which the licence holder is working and which arises out of that prescribed work;
- (b) any error in design, specification, formula or pattern or the provision of advice that is incidental to any prescribed work undertaken by the licence holder;
- (c) the cost of inspecting, repairing or replacing component parts of prescribed work; and
- (d) any provision that excludes personal injury, loss or damage arising directly or indirectly out of, or in connection with or caused by, the erection, demolition, alteration of or addition to buildings by or on behalf of the licence holder,

does not apply.

14. Common property

If:

- (a) prescribed work is carried out on land in a plan of subdivision containing common property; and
- (b) a claim is paid by us in relation to the common property;

We will reduce the amount we will pay under this Policy in respect of any one (1) home on land in the plan of subdivision by an amount calculated by dividing the amount of the claim paid by us in relation to the common property by the number of homes on land in the plan of subdivision.

Glass section

Words with special meaning in this section

Word or term	Meaning
Breakage	Fracture extending through the entire thickness of the glass or vitreous china fixtures.
External glass	Fixed glass in external windows, walls, doors, showcases, skylights.
Internal glass	Glass in internal partitions, windows and doors, refrigerating cabinets, glass in counters, furniture, storage cabinets, shelving, interior showcases, fixed mirrors and other fixed internal glass including ceramic vitreous china urinals and toilet pans and hand basins.
Vandalism	Intentional damage other than breakage to external and internal glass by third parties other than family or employees.

Cover

We will cover you, less the excess, in respect of breakage or vandalism of external glass and internal glass as shown in your Policy Schedule which occurs during the period of insurance at the location belonging to you or for which you are legally responsible.

Basis of Settlement

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 any regulation, statute or the requirements of The Standards Association of Australia.

Additional benefits applying to this section

In the event of breakage of insured glass, we will also pay up to \$5,000 in total under additional benefits 1., to 6., or the amount shown in your Policy Schedule, whichever is the greater for all losses arising out of the one (1) occurrence.

1. Temporary protection and shuttering

The cost of temporary shuttering, boarding up, the employment of security guards to safeguard the insured property, or other security protection necessary, pending replacement of the broken glass.

2. Items affixed to glass

Damage to sign writing, ornamentation, security film, reflective materials or window tinting film, burglary alarm sensors, wiring, tape and electrical connections affixed to the glass.

3. Shopfronts

Damage caused by violence to window frames, door frames and shop fronts.

4. Damage to property

Damage or spoilage to contents and/or stock due to breakage of insured glass.

5. Damage to signs

Damage to signs made of perspex or plastic including damage to signs caused by vandalism or accident even when other insured glass is not damaged.

6. Overtime

The reasonable costs for after hours service by repairers, express delivery and overtime charges to repair or replace broken glass.

Exclusions applying to this section

We will not cover:

1. Breakage of:
 - (a) tubing or light fittings;
 - (b) glass that was cracked, imperfect, chipped or in poor condition before the period of cover;
 - (c) glass caused by artificial heat;
 - (d) glass not fit for the purpose intended;
 - (e) glass during installation, removal or work thereon or upon their framework or other fittings;
 - (f) glass which is stock;
 - (g) glass which is part of any glasshouse, conservatory or the like;
 - (h) glass in any radio, television screen, computer screen, vase, picture, crystal, crockery, china or glass item normally carried by hand.
2. Breakage caused by:
 - (a) fire, explosion, storm, earthquake and flood;
 - (b) transit to or from your business premises;
 - (c) wear and tear.

General property section

Words with special meaning in this section

Word or term	Meaning
Insured Item	The items which are specified on your Policy Schedule including carrying case and usual accessories and which are owned by you or for which you are legally responsible.
Insured loss	Loss or damage arising from a sudden and unforeseen accident occurring anywhere in Australia during the period of Insurance
Unmanned aircraft systems	Unmanned aircraft systems (includes aerial drones) as defined by the Australian Government Civil Aviation Safety Authority used by you in your business

Cover

We will cover Insured items for Insured loss subject to the following limitations.

We will not pay more than \$2,500 per specified individual item unless a higher amount is specified on the policy schedule.

Where the item is described in the schedule in general terms such as "all property" or "all (a description of the class of property)" or the like, we will not pay more than \$2,500 for any one individual item.

These \$2,500 limits any one item will only apply to items that are:

1. Photographic, surveying or video equipment;
2. Communication equipment including EFTPOS machines, telephones and radios;
3. Electronic equipment which includes computers, printers, scanners, modems, GPS units and diaries
4. Sporting equipment;
5. Motorised plant; and
6. Accessories of items listed in 1 - 5 above.

Basis of settlement

We will pay;

1. if the insured item has not been recovered or the cost of repair exceeds the replacement cost;
 - (a) if the insured item can be replaced, the cost to replace the item with the same or similar item equal to but no better or more extensive than its condition when new; or
 - (b) If the insured item cannot be replaced as it is no longer available or a similar item is not available, the sum insured; or
 - (c) If the insured item can be replaced but you prefer a cash settlement, the cost to replace the insured item with the same or similar item equal to but no better or more extensive than its condition when new; less an equitable amount for age, wear, tear, depreciation and the general condition and remaining useful life of the insured item.
2. If the insured item can be repaired,
 - (a) the cost to repair the insured item to a condition equal to but no better or more extensive than its condition when new.
 - (b) If you prefer a cash settlement, the cost to replace the insured item with the same or similar item equal to but no better or more extensive than its condition when new; less an equitable amount for age, wear, tear, depreciation and the general condition and remaining useful life of the insured item.

We will not pay more than the sum insured shown in your Policy Schedule for each item covered less the excess shown on your Policy Schedule.

Optional Cover

When 'Cover option A.' is shown in your Policy Schedule, insured loss is amended and reduced to loss or damage caused by:

1. fire, lightning, explosion, malicious damage or vandalism;
2. theft following forcible and violent entry which causes visible damage to a locked motor vehicle or building;
3. theft of equipment securely attached to a motor vehicle through use of locks or padlocks, which results in visible damage to the securing devices;
4. collision or overturning of the conveying motor vehicle or trailer.

Exclusions applying to this section

1. We will not cover any loss or damage directly or indirectly caused by:
 - (a) mechanical, electronic or electrical breakdown or derangement unless as a consequence of an insured loss;
 - (b) cracking, scratching or breakage of glass or fragile items or surfaces unless as a consequence of insured loss;
 - (c) loss or damage caused by rust, corrosion, oxidation, mildew, mould, moths, vermin, insects, change of colour, or any process of heating, drying, cleaning, dyeing or alteration;
 - (d) the action of light or atmospheric conditions or gradually developing conditions, vibration, wear, tear and/or depreciation;
 - (e) dishonesty by you or others to whom any Insured item may be delivered, entrusted, loaned or rented;
 - (f) theft by employees;
 - (g) unexplained inventory shortage;
 - (h) theft from an unattended motor vehicle unless there is evidence of forcible and violent entry evidenced by visible damage to the securely locked portion of any vehicle containing any insured item;
2. We will not cover loss or damage to any sporting equipment whilst in use;
3. We will not cover insured items for insured loss covered under any other section of this Policy;
4. We will not cover motorised plant or equipment that you ride on or in (other than lawn mowers less than 50Kwh (67HP) and electrically powered personal mobility devices) including accessories and equipment usually used with the mobile plant or equipment (cover available in Motor Vehicle Section);
5. We will not cover loss or damage to any unmanned aircraft systems whilst in use;
6. We will not cover any consequential loss or damage.

Employee dishonesty section

Words with special meaning in this section

Word or term	Meaning
Employee(s)	Any person employed by you under a contract of service or apprenticeship and voluntary workers you are supervising but does not include: <ol style="list-style-type: none"> any director, partner, trustee or principal except when performing acts within the scope of the usual duties of an employee; any broker, factor, commission agent, consignee, contractor or other agent of the same general character.

Cover

We will pay you for your loss of money and contents, caused by theft, fraud or dishonesty of any of your employees that:

- occurs during the period of insurance; and
- is discovered no later than twelve (12) months after expiry of the period of insurance.

The maximum amount we will pay for all claims during the period of insurance is the amount shown in your Policy Schedule less the excess shown on the Schedule.

Additional benefits applying to this section

1. Auditors fees

With our prior approval, we will pay up to \$5,000 towards the reasonable and necessary fees payable by you to internal and/or external auditors and for other expenses which you incur in preparation of a claim or to bring criminal charges against an employee.

2. Unidentified employees

If you are unable to prove the identity of an employee who committed fraud or dishonesty we will still pay your loss of money and contents if you provide reasonable evidence that the loss was due to the fraud or dishonesty of your employees.

3. Retroactive cover

The Cover provided under the employee dishonesty section is extended to include loss of money and contents occurring during the previous twelve (12) months prior to the first period of this insurance cover;

- if the fraud or dishonesty is first discovered within the period of this Policy; and
- if there is cover in a previous insurance policy, the discovery period in the previous policy has expired.

We will not pay more than the sum insured (less your excess) for all losses discovered within the current period of insurance.

Exclusions applying to this section

We will not pay for any loss of money and contents:

- resulting from further acts of fraud or dishonesty after you first discover that the employee has previously engaged in provable dishonest conduct or has previous convictions for dishonest acts,
- discovered more than twelve (12) months after the period of insurance has expired,
- if the only proof of loss is shortage revealed by an inconsistency in:

- accounting records;
- comparison between physical counts and inventory or stock records; or
- profit and loss calculation;

Conditions applying to this section

1. Employee's salary

If you are permitted by law, you agree to withhold salary, commission, moneys or property of any employee whose dishonesty has caused a claim under this section. These amounts will be deducted from the amount calculated to have been lost when we assess your insurance claim.

If you do not withhold these payments and property within a reasonable time after discovery of a loss by you; and if this increases the amount we would pay you if you had not carried out these withholding actions; then we will not pay you for the amount that you could have saved if you had carried out these withholding actions.

2. Reinstatement

The sum insured may be reinstated in writing by us for which we will be entitled to charge an additional premium. The reinstated sum insured will not cover any loss of money and contents discovered prior to the effective date of the reinstatement.

3. Business property recovered from employees

If money, contents or property is recovered by you from your employees after we have paid a claim, we agree they will be first applied to your excess and any uninsured loss you have incurred and then the balance will be paid to us up to the amount we have paid including our costs in handling the claim.

Tax audit section

Words with special meaning in this section

Word or term	Meaning
Accountant's fees	Fees, charges, expenses and disbursements rendered by your accountant, assessor, consultant, investigator or a mediator appointed by an alternative dispute resolution authority which are reasonably incurred arising out of a Tax Audit.
Business	The business as shown in your Policy Schedule and; <ol style="list-style-type: none"> personal taxation returns of natural persons who are major shareholders; and taxation returns of trusts and their beneficiaries managed by you.
Culpability component	A determination by an Australian Commonwealth/ State/Territory Government statutory authority which has been imposed on the basis of, reckless or deliberate tax evasion or similar offence by the insured.
Tax audit	An investigation or examination of accounts and records by an Australian or Australian State/ Territory Government Taxation Authority.

Cover

We will pay you for accountant's fees arising out of a tax audit that is first notified to you or your accountant during the policy period.

We will not pay more than the sum insured shown on the Policy Schedule for Tax Audit Section for all tax audits in the period of insurance.

Exclusions applying to this section

1. We will not pay accountant's fees;
 - (a) if you have not completed your required taxation declarations and self assessments before the statutory required date limits and the tax audit notice is notified to you after the statutory required date limits and before your completion of your required taxation declarations and self assessments;
 - (b) if you have not used the services of an accountant, or registered tax agent or registered bookkeeper to assist you prepare your taxation declarations and self assessments.
2. We will cease paying accountant fees when we reasonably become aware that the applicable culpability component of any insured is likely to exceed 49% of an assessable culpability scale imposed by an Australian or Australian State/Territory Government Authority.
3. We will not pay accountant's fees incurred after the date;
 - (a) you become bankrupt or commit an act of bankruptcy;
 - (b) you make or enter into a scheme of arrangement or compromise with creditors;
 - (c) you are in liquidation or a receiver and manager is appointed;
 - (d) a mortgagee takes possession of any of your mortgaged property.

Conditions applying to this section

1. Notification Cooperation.

All tax audit notifications must be made to us as soon as practical to enable us to agree investigation strategies and fees with you and your accountant and responsible financial managers so as to establish the reasonableness of the accountancy fees to be incurred. This condition does not apply for initial accounting fees for receiving tax audit notifications and fees incurred to supply documents legally demanded by an Australian or Australian State/Territory Government Taxation Authority;

- (a) you must authorise and instruct your accountant and other financial representatives to;
 - (i) disclose to us all such information and documentation as we may require in relation to your claim;
 - (ii) keep us fully and continually informed of all material developments of the tax audit;
 - (iii) advise us immediately of any offers or compromise proposals or recommendations prior to acceptance;
 - (iv) advise us if, in the accountant's or other financial representative's opinion, there is no longer any reasonable prospect of success to defend a recovery from an Australian Commonwealth/State/Territory Government taxation authority.
- (b) you must not unreasonably refuse to follow the advice of your accountant as to the conduct of the statutory tax audit including advice relating to the making or accepting of any offer to settle or the discontinuance of the tax audit.
- (c) you must fully cooperate with your accountant in the processes of the tax audit.

If you do not comply with these conditions we may refuse to pay your claim.

2. Wrongful Tax Returns.

We will withdraw cover and future accountant fees payments when we reasonably come to the conclusion you do not have sufficient legal standing to defend a tax audit.

3. Errors.

If you or any person acting on your behalf becomes aware of any error in any declaration or self assessment that you must notify the appropriate Australian Commonwealth/State/Territory Government taxation authority as soon as it is practical. If you do not we may refuse to pay all or part of your claim.

4. Recovery.

If an insured tax audit results in you receiving an award of damages for accountancy fees, you agree to pay us a pro rata proportion of those damages calculated on the basis of our proportion of accountant's fees paid by us to the total accountancy fees incurred by you.

Transit section

Words with special meaning in this section

Word or term	Meaning
Packaging	Packing materials, shipping containers, crates, pallets, or similar receptacles belonging to you or for which you are responsible.
Market Value	The cost to replace the insured item with the same or similar item equal to but no better or more extensive than its condition when new; less an equitable amount for age, wear, tear, depreciation and the general condition and remaining useful life of the insured item

Cover

We will cover you up to the sum insured shown in your Policy Schedule for loss or damage to goods belonging to you or for which you are legally responsible, whilst in the normal course of transit by road anywhere in Australia, in or on a conveying motor vehicle and/or trailer owned or operated by you, caused by:

1. collision, overturning or jack-knifing of the conveying motor vehicle;
2. fire, lightning or explosion;
3. theft resulting from forcible and violent entry evidenced by visible damage to the securely locked portion of the conveying motor vehicle and/or trailer containing your goods;
4. malicious damage;
5. impact to the goods with any external object except when that object is on or part of the conveying motor vehicle;
6. flood including damage to goods resulting from the interruption of the journey due to flood whether the conveying motor vehicle or trailer is damaged or not;
7. loading or unloading from the conveying motor vehicle and/or trailer.

You are liable for the excess for each and every claim.

Basis of settlement

When property covered by this section is lost or damaged, the following basis of settlement will apply to each item of property:

1. for goods sold, your invoice value;
2. for goods purchased, the purchase price as shown on the invoice;
3. for all other goods, including plant transfers, market value.

Additional benefits applying to this section

1. Removal of debris

This cover section covers all reasonable costs and expenses incurred in unloading, removing and/or disposing of damaged goods and cleanup of an accident site incurred as a direct result of an insured event.

2. Packaging

This additional benefit 2. covers accidental loss or damage to packaging while carried in transit caused by an insured event.

The maximum We will pay under additional benefits 1., and 2., in the aggregate in any one (1) Period of Insurance is \$20,000.

Exclusions applying to this section

We will not pay for loss or damage to the following property:

1. money;
2. jewellery, watches, furs, antiques, paintings, works of art, precious metals or precious stones or articles composed of any of them;
3. explosives, petroleum products in bulk or gas in bulk;
4. livestock;
5. cigarettes, tobacco, wines, spirits or other alcoholic beverages unless shown in your Policy Schedule; or
6. personal property of directors, partners and employees of your business.

We will also not pay for loss or damage caused by, arising from or due to:

1. dislodgement of goods as a result of contact by the conveying motor vehicle with roadway curbing, road humps, traffic islands and similar protuberances or uneven road surfaces;
2. theft by or in collusion with any of your employees;
3. electrical or mechanical derangement unless damage is visible to the exterior of the machine; or
4. delay, loss of market, consequential loss of any kind, depreciation or deterioration.

We will not pay a claim if at the time of the loss or damage the conveying motor vehicle and/or trailer is:

1. being driven by a person who:
 - (a) has their faculties affected by intoxicating alcohol or drugs;
 - (b) does not have a current licence as required by legislation to operate or drive the conveying motor vehicle and/or trailer at the place of the occurrence;
 - (c) has a level of blood alcohol which exceeds the limit permitted by any legislation applicable to the driver; or
 - (d) has refused a blood or breath test for intoxicating alcohol or drugs.

However we will not refuse to pay your claim if you can prove you did not know that the driver was affected by alcohol or drugs or was unlicensed;

2. in an unroadworthy condition;
3. carrying a load in excess of the designed carrying capacity;
4. carrying a load which the motor vehicle is not designed to carry; or
5. carrying hazardous goods other than in accordance with legal requirements.

We will not refuse to pay your claim if you can prove you did not know the motor vehicle was being driven:

- (a) in an unroadworthy condition;

- (b) carrying a load in excess of the designed carrying capacity;
- (c) carrying a load which the motor vehicle is not designed to carry; or
- (d) carrying hazardous goods other than in accordance with legal requirements.

Statutory liability section

Words with special meaning in this section

Word or term	Meaning
Claim(s)	A written or other notice by an Australian regulatory authority in connection with any accusation, official investigation.
Defence Costs	Reasonable costs, charges, and expenses incurred by us or by you with our prior written consent (consent will not be unreasonably withheld) to defend, investigate or monitor a claim.
Environmental Protection legislation	Australian and Australian State/Territory/Local Government statutes, regulations, by-laws or local laws prohibiting, controlling or regulating the discharge, release, escape or disposal of pollutants into or upon land, the atmosphere or any watercourse or body of water.
Joint venture	An enterprise undertaken jointly by you with another person or entity.
Pollution defence costs	Defence costs arising from Environmental Protection Legislation arising out of a claim for; the actual, alleged or threatened discharge, release, escape, containment or disposal of pollutants into or upon land, the atmosphere, or any watercourse or body of water by you; or any enforcement action or preceding in connection with containment, clean up, removal, or treatment of pollutants on you.
Pollutant(s)	Any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled reconditioned or reclaimed.
Regulatory Authority	A person or entity appointed, constituted or acting under a delegation of an Act of an Australian Parliament for the purposes of enforcement of Australian legislation.
Territorial limits	Anywhere in Australia and its protectorates and Territories.
Work, Health and Safety Legislation	Australian and Australian State/Territory Government Work, Health and Safety Acts that are coordinated and led by the Safe Work Australia Act 2008 (Cwlth) and any subsequent amendments to this Act
You and Your	the named insured shown in your Policy Schedule; and every past, present or future director, partner, proprietor, officer, executive or employee of the named insured while they are acting for or on behalf of the named insured.

Cover

We will cover you for claims which arise from a contravention or alleged contravention of;

1. Work, Health and Safety Legislation;
2. Environmental Protection Legislation, for pollution defence costs only.

Basis of cover - Claims made

The cover provided in this section operates on a 'claims made and notified' basis. This means that we cover you for claims first made on you and notified to us during the period of insurance.

We do not provide cover for claims made on you;

1. that are threatened or intimated against you prior to the commencement of the period of insurance; or
2. arising from facts or circumstances of which you first became aware prior to the period of insurance, and which you knew or ought reasonably to have known had the potential to give rise to a claim under this section.

Basis of Claims Settlement

We will pay you;

1. your defence costs arising from a claim covered by this Section providing you permit us, at our discretion, to appoint legal representation to represent you;
2. the amount you are fined, or recovered from you, by a regulatory authority or an Australian court of law who are administering a Work, Health and Safety Legislation Act.

The maximum amount we will pay for all claims during the period of insurance is the sum insured shown in your Policy Schedule less the excess shown in your Policy Schedule.

All causally connected or interrelated claims jointly constitute a single claim under this Policy section.

Additional benefits applying to this section

1. Extended reporting period

If you become aware of a claim, during the period of insurance and it would be unreasonable to provide notice to us before expiry of the period of insurance, we will accept your claim up to forty five (45) days after the expiry of the period of insurance in which the claim was made on you.

2. Continuous cover

If you knew or ought reasonably to have known prior to the commencement date of the period of insurance of a claim, and had not notified us of the claim within 45 days of the expiry of a policy insured by you with us; we will accept your claim if;

- (a) your failure to notify was not fraudulent; and
- (b) we have continued as the insurer of your statutory liability insurance in uninterrupted succession between the date when the circumstance should have been notified and the date the claim was notified; and
- (c) the cover provided under this additional benefit will be paid by us as per the cover in the period of insurance the claim should have been notified to us.

Exclusions applying to this section

A. This section does not cover you for claims arising from;

1. Aircraft, watercraft and vehicles

regulation of air, marine or motor traffic;

2. Asbestos

or contributed to or aggravated by the presence, use or escape of asbestos;

3. Fraud and dishonesty

claims made against you which are directly or indirectly based upon, attributable to or in consequence of;

- (a) your actual or alleged dishonest, fraudulent, criminal or malicious act or omission;
- (b) your actual or alleged act or omission with a reckless disregard for the consequences of the acts or omissions;
- (c) your wilful violation or wilful breach of any statute or regulation, or any wilful breach of any contract;

4. Legally barred claims

Claims which are not permitted to be insured by enactment of Australian and Australian State/Territory Government laws;

5. Joint venture

or attributable to any joint venture partners of your business.

B. This section does not cover you for amounts you have to pay to any person or entity for;

1. compensation costs;
2. compliance, remedial, reparation or restitution costs;
3. damages, including but not limited to exemplary or punitive damages;
4. consequential economic loss;
5. costs to defend against an action for exclusions B1 to B4 listed above.

Conditions applying to this section

1. Allocation

- (a) We will only pay for amounts attributable to the cover provided by this policy section. We will reduce the amount we pay you to reflect an equitable proportion of defence costs that are not covered by this policy section;
 - (i) if we cannot agree with you on an allocation of defence costs then we will advance defence costs which we believe to be covered under this Policy until a different allocation is negotiated, arbitrated or judicially determined;
 - (ii) If defence costs are reduced or increased by negotiation, arbitration or judicial allocation of these defence costs, the reduction or increase will be applied retrospectively to your claim.

2. Jurisdiction

You agree that all disputes between you and us arising out of this section will be subject to determination by Australian law courts.

3. Your right to contest

If we recommend a settlement of a claim and you do not agree that the claim should be settled, then you may elect to contest the claim. We will not pay more than the amount we believe the claim could have been settled for, plus the defence costs incurred with our written consent up to the date of your election to contest the claim without our support.

4. Contesting a claim

We will not require you to contest a claim you do not wish to contest unless a Senior Counsel (to be mutually agreed upon by you and us) advises that the claim should be contested.

In formulating their advice, Senior Counsel will take into consideration the economics of the matter, the damages and costs which are likely to be recovered by the plaintiff, the likely defence costs and your prospects of successfully defending the claim.

The cost of the Senior Counsel's opinion is included in defence costs.

Employment practices section

Words with special meaning in this section

Word or term	Meaning
Bodily injury	Physical injury, sickness, disease, or death of any person. Does not mean mental injury, mental anguish, nervous shock, or emotional distress not associated with bodily injury.
Back pay	Arising from an order of reinstatement or re-employment made on you; the salary and benefits you are legally required to pay your employee during the period between the time of termination of employment and the time the employee is reinstated or re-employed.
Claim(s)	<ol style="list-style-type: none"> 1. A written demand for compensation or relief by an employee; 2. A notice or demand from a regulatory authority acting on behalf or in the interests of an employee and is: <ol style="list-style-type: none"> (a) an investigation; (b) a proceeding that may or has resulted in penalties, arbitration, mediation or similar dispute resolution.
Defence costs	Reasonable additional costs, charges, and expenses incurred by us, or by you with our prior written consent (which will not be unreasonably withheld), in defending, investigating or monitoring a claim.
Employee	<p>A person;</p> <ol style="list-style-type: none"> 1. employed by you under a contract of service or apprenticeship; or 2. who is a student and you are assisting with unpaid work experience; or 3. who is a volunteer while under your care and supervision.
You and Your	<ol style="list-style-type: none"> 1. the named insured shown in your Policy Schedule; and 2. every past, present or future director, partner, proprietor, officer, executive or employee of the named insured while they are acting for or on behalf of the named insured.

Word or term	Meaning
Penalty	<p>Amount payable by you to any regulatory authority arising from a wrongful act by you but excluding:</p> <ol style="list-style-type: none"> 1. any amounts payable as compensation; 2. any compliance, remedial, reparation or restitution costs; 3. any damages, including but not limited to any exemplary or punitive damages; 4. any consequential economic loss; 5. any amounts not permitted to be paid by us under Australian Laws; 6. any legal costs and associated expenses of the regulatory authority.
Wrongful act	<p>Means any of the following;</p> <ol style="list-style-type: none"> 1. discharge or termination, either actual or constructive, of an employment relationship; 2. breach of a verbal, written or alleged employment contract; 3. misleading representation or advertising relating to employment contracts; 4. failure to employ or promote; 5. unfair deprivation of a career opportunity; 6. unfair discipline; 7. failure to grant tenure; 8. negligent employee evaluation; 9. harassment of an employee; 10. alleged creation or permission of a harassing workplace environment; 11. employment-related: <ol style="list-style-type: none"> (a) denial of natural justice; (b) invasion of privacy; (c) defamation; (d) infliction of emotional distress; (e) discrimination on any legally prohibited basis.

Cover

We will cover you for claims made on you arising out of wrongful acts or alleged wrongful acts.

Basis of cover – Claims made

The cover provided in this section operates on a 'claims made and notified' basis. This means that we cover you for claims first made on you and notified to us during the period of insurance.

We do not provide cover for claims made on you;

1. that are threatened or intimated against you prior to the commencement of the period of insurance; or
2. arising from facts or circumstances of which you first became aware prior to the period of insurance, and which you knew or ought reasonably to have known had the potential to give rise to a claim under this section.

Basis of Claims settlement

We will pay you;

1. your defence costs arising from a claim providing you permit us, at our discretion, to appoint legal representation to represent you;
2. Back pay to your employees;
3. the amount you are fined or recovered from you by a regulatory authority or an Australian court of law arising out of a claim covered by this section.

The maximum amount we will pay for all claims during the period of insurance is the sum insured shown in your Policy Schedule less the excess shown in your Policy Schedule.

All causally connected or interrelated claims jointly constitute a single claim under this Policy section.

Additional benefits

1. Extended reporting period

If you become aware of a claim, during the period of insurance and it would be unreasonable to provide notice to us before expiry of the period of insurance, we will accept your claim up to forty five (45) days after the expiry of the period of insurance in which the claim was made on you.

2. Continuous cover

If you knew or ought reasonably to have known prior to the commencement date of the period of insurance of a claim, and had not notified us of the claim within 45 days of the expiry of a policy insured by you with us; we will accept your claim if;

- (a) your failure to notify was not fraudulent; and
- (b) we have continued as the insurer of your employment practices insurance in uninterrupted succession between the date when the circumstance should have been notified and the date the claim was notified; and
- (c) the cover provided under this additional benefit will be paid by us as per the cover in the period of insurance the claim should have been notified to us.

Exclusions applying to this section

We will not pay;

1. Benefits

for your requirement to pay or cover;

- (a) workers' compensation injury or disability benefits;
- (b) your employee's entitlement's such as (but not limited to), wages, salary, employee share or equity plans, bonuses, incentives, all types of employee leave, severance pay, redundancy pay, superannuation contributions and similar amounts which are not back pay;
- (c) Damage to property.

2. Bodily injury

Costs incurred by you for amounts directly or indirectly based upon, attributable to or in consequence of bodily injury;

3. Building modifications

costs incurred by you to modify any building or property in order to make such building or property more accessible or accommodating to any disabled person;

4. Fraud and dishonesty

for claims made against you which are directly or indirectly based upon, attributable to or in consequence of;

- (a) your actual or alleged dishonest, fraudulent, criminal or malicious acts or omissions; or
- (b) your actual or alleged act or omission that has a reckless disregard for the consequences of the acts or omissions; or
- (c) wilful violation or wilful breach of any statute or regulation, or any wilful breach of any contract;

5. Non-Pecuniary relief

your cost of compliance with any order for, grant of, or agreement to provide injunctive or non-monetary relief. This exclusion does not apply to defence costs;

6. Industrial disputes

for any claims made against you arising out of or in connection with;

- (a) any industrial dispute, strike, or lock out; or
- (b) actual or alleged unfair contract of employment, including but not limited to any claim or proceeding brought under the *Fair Work Act 2009* (Cth) or similar legislation in any other state, territory, or jurisdiction;

7. Unrelated proceedings

defence costs for part of a proceedings which do not directly relate to cover provided by this policy section;

8. Australian limitation

for claims made on you outside the Commonwealth of Australia and its Protectorates.

Conditions applying to this section

1. Allocation

- (a) We will only pay for amounts attributable to the cover provided by this policy section. We will reduce the amount we pay you to reflect an equitable proportion of defence costs that are not covered by this policy section;
 - (i) if we cannot agree with you on an allocation of defence costs then we will advance defence costs which we believe to be covered under this Policy until a different allocation is negotiated, arbitrated or judicially determined;
 - (ii) If defence costs are reduced or increased by negotiation, arbitration or judicial allocation of these defence costs, the reduction or increase will be applied retrospectively to your claim.

2. Jurisdiction

You agree that all disputes between you and us arising out of this section will be subject to determination by Australian law courts.

3. Your right to contest

If we recommend a settlement of a claim and you do not agree that the claim should be settled, then you may elect to contest the claim. We will not pay more than the amount we believe the claim could have been settled for, plus the defence costs incurred with our written consent up to the date of your election to contest the claim without our support.

4. Contesting a claim

We will not require you to contest a claim you do not wish to contest unless a Senior Counsel (to be mutually agreed upon by you and us) advises that the claim should be contested.

In formulating their advice, Senior Counsel will take into consideration the economics of the matter, the damages and costs which are likely to be recovered by the plaintiff, the likely defence costs and your prospects of successfully defending the claim.

The cost of the Senior Counsel's opinion is included in defence costs.

Motor vehicle section

Words with special meaning in this section

Word or term	Meaning
Accident	An unforeseen or unintended happening which is not expected or designed.
Agreed value	The fixed amount for which your motor vehicle is insured for each period of insurance regardless of any price change for your motor vehicle during that period. The agreed value includes the value of insured accessories and equipment
Airfield	Any area, including temporary landing grounds, designated or used for aviation activity including but not limited to take-off, landing, taxiing, parking, any tarmac or taxiway activity or the like.
Airside	The section of an airfield where aircraft are situated and operated.
Business use, Commercial use	Your motor vehicle is registered for business use, but is used only for the following purposes: <ol style="list-style-type: none"> 1. in connection with your business or occupation; 2. social, domestic and pleasure purposes; 3. demonstration for sale; 4. in connection with servicing, repairing and subsequent testing; 5. for tuition, as long as it is not for payment; 6. towing a caravan, trailer or vehicle, as long as it is not for payment.
Carrying capacity	The maximum amount your motor vehicle can legally carry.
Dangerous goods	Goods as defined by the current version of the Australian Code for the Transport of Dangerous Goods by road and rail. This Policy excludes all cover for Class 6.2 - Infectious substances and Class 7 - Radioactive material.
Executive use	Your motor vehicle is registered for business use, but is used only for the following purposes: <ol style="list-style-type: none"> 1. social, domestic and pleasure purposes; 2. demonstration for sale; 3. in connection with servicing, repairing and subsequent testing; 4. for tuition, as long as it is not for payment; 5. towing a caravan, trailer or vehicle, as long as it is not for payment.
Gross combination mass (GCM)	The maximum legally allowed weight of your motor vehicle and trailer combination including the goods carried by that combination.
Gross trailer mass (GTM)	The maximum loaded mass of your motor vehicle as specified by the trailer manufacturer on a plate affixed to your trailer.
Gross vehicle mass (GVM)	The maximum loaded mass of your motor vehicle as specified by the vehicle manufacturer on a plate affixed to your motor vehicle.

Word or term	Meaning
Machinery attachments	Machinery attachments that you normally use with and attach to your motor vehicle such as buckets, forks, tractor implements and the like.
Market value	The cash value of your motor vehicle immediately prior to an accident using market pricing for a vehicle of the same age, type, and condition, in your local area, but excluding costs and charges for GST, registration, stamp duty, dealer deliveries and the like.
Private use	Your motor vehicle must be registered for private use, only in your name and used for the following purposes: <ol style="list-style-type: none"> 1. social, domestic and pleasure purposes; 2. demonstration for sale; 3. in connection with servicing, repairing and subsequent testing; 4. for tuition, as long as it is not for payment; 5. towing a caravan, trailer or vehicle, as long as it is not for payment; 6. driving to or from work; 7. in connection with your occupation or business as, long as: <ol style="list-style-type: none"> (a) it is driven only by you; and (b) the business use does not exceed 20% of your motor vehicle's usage.
Sum insured	The amount shown in your Policy Schedule for any motor vehicle and this will be the maximum amount we will pay.
Total loss	Your motor vehicle has not been recovered following theft or your motor vehicle is damaged to the extent that we determine it would be uneconomical to repair. We will settle the claim on the basis of market value or sum insured whichever the lesser or agreed value depending on the cover shown in your Policy Schedule.

Types of cover

We offer several different types of cover, as described below.

The type of cover you have selected is shown in your Policy Schedule.

1. Comprehensive cover

If your motor vehicle is registered

What we will pay for

- (a) Section 1 – Loss, damage or theft of your motor vehicle
- (b) Section 2 – Third party liability
Your legal liability for damage caused by your motor vehicle to the property of other people:
- (c) The additional benefits applicable to comprehensive cover only.

If your motor vehicle is unregistered

What we will pay for

- (a) Section 1 – Loss, damage or theft of your motor vehicle.
- (b) The additional benefits applicable to comprehensive cover only.

What we will not pay for

Section 2 – Third party liability

2. Third party property damage including fire and theft cover

This cover is not available for motor vehicles that have a GVM of 3,500 kilograms or greater.

If your motor vehicle is registered

What we will pay for

- (a) Section 1 – Loss, damage or theft of your motor vehicle caused by fire, explosion, lightning, theft or attempted theft only.
- (b) Section 2 – Third party liability.
- (c) The additional benefits applicable to third party property damage including fire and theft cover only.

If your motor vehicle is unregistered

What we will pay for

- (a) Section 1 – Loss, damage or theft of your motor vehicle caused by fire, explosion, lightning, theft or attempted theft only.
- (b) The additional benefits applying to third party property damage including fire and theft cover only.

What we will not pay for

Section 2 – Third party liability.

3. Third party property damage cover

Applicable to registered motor vehicles only

What we will pay for

- (a) Section 2 – Third party liability
- (b) Additional benefits applicable to third party property damage cover only.

What we will not pay for

Section 1 – Loss, damage or theft of your motor vehicle.

Section 1 – Loss, damage or theft of your motor vehicle

Cover

Subject to the type of cover you have selected, we will cover you as a result of an accident or theft occurring during the period of insurance for loss of or damage to:

1. Your motor vehicle as shown in your Policy Schedule;
2. Your motor vehicle's extras being:
 - (a) original manufacturers standard accessories, standard tools, standard appliances, standard options including built in radio receivers, built in music players, and air-conditioning;
 - (b) any gate, chain, dog and chain, strap, tarpaulin and the like attached to or on your motor vehicle, but limited to \$10,000 per occurrence unless shown elsewhere in your Policy Schedule;
 - (c) any unspecified accessories including non standard equipment, tools and spare parts used for your motor vehicle; however where your motor vehicle is listed in the Policy Schedule as being covered for market value the maximum we will pay for non specified accessories is \$5,000.

whilst they are in, on or attached to your motor vehicle.

3. Your motor vehicle's machinery attachments up to a limit of \$10,000 unless specified elsewhere within your Policy Schedule.

Basis of settlement

We will, at our option, repair, reinstate or pay the amount of the loss of or damage to your motor vehicle and items referred to in Section 1, Cover 2, at the time of such loss or damage, provided such payment does not exceed the market value or the sum insured whichever is the lesser amount, or agreed value depending on the cover shown in your Policy Schedule.

If it is necessary to repair your motor vehicle to a better condition than it was in before the loss or damage, then we may ask you to contribute the additional amount to repair it to the better condition.

We are entitled to replace damaged parts with new parts or used parts of similar age and condition to those being replaced.

Salvage

If your motor vehicle is declared a total loss and we pay a claim according to the cover provided by this Policy, you must allow us, if we require, to take possession of your damaged motor vehicle. If we do not take possession of your damaged motor vehicle, you cannot abandon your responsibilities for it.

Unavailable parts

In the event of an accident covered under this Policy, should any part of your motor vehicle and/or other insured property become unavailable in Australia, we will reimburse you, in accordance with the basis of settlement, but in no circumstances will we be liable for more than the cost of the parts plus the cost of freighting such parts by sea transport.

Should the cost of these parts plus the cost of the repairs exceed the sum insured or market value, whichever is the lesser, we reserve the right to declare your motor vehicle a total loss.

Financier

If your motor vehicle is the security for any finance agreement, then:

1. we have the right to make claim payments to the financier; and
2. any payment made to the financier will satisfy our obligation to you under this Policy for the amount paid.

Additional benefits

Following an event that results in an approved claim under your Policy, the following additional benefits will apply. Where a monetary value is specified within an additional benefit this monetary value is in addition to the sum insured and/or market value of your motor vehicle.

Applicable to comprehensive cover, third party property damage including fire and theft cover.

1. Breach of general conditions

A breach or non-compliance with any general condition without the knowledge of you or any responsible officer will not affect your right to the cover under this Policy. However where you or any responsible officer becomes aware of such breach or non-compliance you will notify us immediately. If the risk is acceptable to us we will insure it for the remainder of the period of insurance and you will pay any extra premium we may require and comply with any additional conditions we may impose.

2. Removal of vehicle debris

We will cover you up to a maximum of \$50,000 for the necessary and reasonable costs which you are legally liable to pay to clean up and remove your motor vehicle debris (excluding dangerous goods). Where this clean up is caused from debris falling from your motor vehicle then we will only pay any balance of costs owing upon exhaustion of your Marine Transit or Cargo Policy. We will not pay for the excess applicable to such policy.

3. Waiver of subrogation

We will not seek recovery between the persons, companies or firms shown in your Policy Schedule as the insured.

4. Choice of repairer

You may choose any licensed repairer to repair your motor vehicle. However we may invite, accept, adjust or decline estimates or arrange to move your motor vehicle to another repairer acceptable to both of us.

5. Car sharing

Payment made by passengers, as part of a car sharing agreement for social or other similar purpose, including travelling to and from work will not constitute the conveyance of passengers for hire, fare or reward provided that the total contribution received for the journey does not involve commercial use for profit.

6. Fire brigade and/or emergency services charges

If we agree to pay a claim under the Policy and you are legally liable for fire extinguishment costs charged by the Fire Brigade or emergency services costs, we will pay up to \$20,000 during any one (1) period of insurance only.

Applicable to comprehensive cover or third party property damage including fire and theft cover only.

1. Recovery costs following theft

If your motor vehicle is stolen and found we will cover you for up to \$5,000 to return your motor vehicle to its normal parked address.

2. Redelivery cost

We will cover you for up to \$5,000 to return your motor vehicle to its normal parked address, following repairs to your motor vehicle provided the situation where your motor vehicle was repaired was more than 150 kilometres from your motor vehicle's normal parked address.

3. Automatic additions

We will cover you for any additional or replacement vehicle(s) of a like kind or similar nature to your motor vehicles presently insured under this Policy, that you purchase or lease during the period of insurance for thirty (30) days.

If before you have given us full details, the replacement vehicle is damaged or stolen, the maximum amount payable is the purchase price of the replacement vehicle for:

1. Comprehensive cover – up to \$300,000; or
2. third party property damage including fire and theft cover – up to \$10,000.

If you give us details of any new or replacement vehicle within thirty (30) days of its purchase or lease, we will insure it for the remainder of the period of insurance, as long as it is acceptable to us and you pay any additional premium that we may require.

We will not cover you if you do not advise us within thirty (30) days of purchase or lease.

Additional benefits

Applicable to comprehensive cover only.

1. Towing costs

We will cover the costs of:

1. towing your motor vehicle to:
 - (a) the nearest repairer; or
 - (b) a place of safety; or
 - (c) to any other place that we first approve;
2. plus the reasonable cost of protecting your motor vehicle;

following loss or damage covered under this Policy.

2. Trailer cover

We will pay for theft, or accidental loss or damage to any trailer with a gross trailer mass of less than 2,000 kilograms (other than a caravan) which is owned by you while it is:

1. attached to your motor vehicle; or
2. detached from your motor vehicle but within your business premises or the domestic land boundaries of your usual home as long as it was not in a common area of home units, flats and the like.

We will not pay for any property in or on the trailer.

The maximum amount we will pay is the market value of the trailer, up to \$1,500.

3. Sign writing

We will cover you for loss or damage to sign writing or fixed advertising signs or materials forming a permanent part of your motor vehicle at the time of the loss or damage.

4. Maritime liability

If your motor vehicle is being transported by sea between Australian ports, we will cover you for your contribution for your motor vehicle if 'General average' is declared.

General average is declared when goods or cargo are thrown overboard or other steps are taken to safeguard the vessel and the remaining property on the vessel. All cargo owners share the expenses or salvage costs incurred by a ship owner in preserving the vessel and cargo including claims costs incurred by cargo owners.

5. New motor vehicle replacement

Where your motor vehicle is a sedan, station wagon, panel van, 4x4, utility, goods carrying motor vehicles with a 3,500 kilogram GVM or lesser, or a minibus with a carrying capacity of not greater than fifteen (15) persons, we will replace your motor vehicle with a new vehicle of the same make, model or series so long as it is available within Australia; and

1. your motor vehicle is declared a total loss by us; and
2. you purchased the vehicle new from the manufacturer or their dealer; and
3. your motor vehicle is less than twenty four (24) months old from when it was first registered; and
4. where your motor vehicle is financed, your financier has given us written consent.

At all times we will not pay more than the sum insured (which includes any extras).

If a new replacement motor vehicle is not available, we will replace your motor vehicle with the nearest equivalent vehicle available, so long as it is available in Australia. If we cannot agree on a replacement vehicle, we will pay you the amount it would cost to buy a new vehicle the same as, or a near equivalent of, your motor vehicle which needs replacing.

If an excess is applicable it is payable to us before we replace your motor vehicle.

We will also pay the registration for the period registered but not exceeding twelve (12) months, stamp duty and dealer charges on the new replacement motor vehicle but any refund of registration fees or stamp duty applicable in respect to the total loss motor vehicle must be refunded to us.

Where your motor vehicle does not meet all of the criteria above, all total loss claims will be settled on the declared sum insured or the current market value at the time of the loss or damage, whichever is the lesser.

Where you choose to insure the replacement vehicle with us and we accept the risk, we will charge you a pro rata premium from the date of acceptance to the expiry date of the Policy.

6. Agreed sum insured

Where your motor vehicle is a rigid truck or prime mover and it has a 3,500 kilogram GVM or greater or a trailer with a GTM of 3,500 kilograms or greater and provided the age of the motor vehicle at the time of such loss or damage, was not in excess of twenty four (24) months from the date of original registration as a new vehicle, by you, we will, in the event of your motor vehicle being classed as a total loss under this Policy, pay the sum insured declared to us, as the value of the unit at the commencement of the current period of insurance.

7. Hire vehicle cost following theft

If your motor vehicle is stolen and the theft is covered under this Policy, we will cover you up to a maximum of \$5,000 for the reasonable costs of hiring a similar vehicle provided:

1. we do not pay for hiring charges incurred after the date of recovery of your motor vehicle, if it can be driven;
2. cover is limited to thirty (30) days and will cease once we pay your claim, or your motor vehicle is repaired if undrivable;
3. you will need to organise and pay for the hire vehicle. We are not responsible for ensuring that a hire vehicle is available. You must also give us a copy of the rental agreement and any receipts for the hire vehicle before we will reimburse you.

We will not pay for:

1. running costs, including the costs of fuel;
2. damage to the hire vehicle;
3. any insurance, insurance excess or other costs you may be liable for under the hire vehicle rental agreement.

8. No claim discount

If your motor vehicle is insured for comprehensive cover and you do not have a claim, we will apply a discount to your next year's renewal premium. This reward is called the 'No claim discount'.

The more 'Claim free' years that you have, the greater the percentage of discount, until you reach the maximum level of discount after five years. Even if you have a claim where your no claim discount would be affected, you may not lose all your no claim discount. If you have a claim and you have not accumulated any no claim discount we may increase your invited renewal premium.

We also accept the number of claim free years that you may have accumulated with another insurer in calculating your no claim discount.

9. Accidents/losses affecting your no claim discount

When calculating your renewal premium we take into account accidents/losses that occur during the period of insurance that affect your no claim discount.

10. Faultless no claim discount

If your motor vehicle has been involved in a collision with another vehicle (and not any other type of accident) we will not penalise your no claim discount entitlement when you renew your Policy if:

1. you can satisfy us that the collision was totally the fault of the driver of another vehicle; and
2. you tell us the registration number of the other vehicle, the full name, licence number and address of the other driver.

We give this benefit only if we are allowed legally to recover the amount of any loss including any applicable excesses from the third party.

11. Lease, hire purchase or financial agreement payout

Where:

1. your motor vehicle is declared a total loss; and
2. your motor vehicle is subject to a lease, hire purchase or any financial agreement through a financial institution directly related to financing of the motor vehicle purchase; and
3. the payout amount exceeds the agreed total loss amount;

We will pay:

1. the agreed total loss amount; and
2. an additional amount of up to 25% of the total loss amount;

provided:

1. this amount and the total loss amount do not exceed the financial payout figure;
2. that any payment over the agreed total loss amount does not include any amounts that are in arrears at the time of loss;
3. that any additional payment over and above the agreed total loss amount will include any discounts applicable for full payment of the financial contract.

This 'Additional benefit - Lease, hire purchase or financial agreement payout' does not:

1. provide cover where the loss or damage is caused by theft or fire (other than fire as a result of impact);
2. apply where your motor vehicle is older than ten (10) years of age since it was first registered as a new vehicle or was originally purchased as new unregistered mobile machinery such as a tractor, excavator, loader or similar vehicle type.

12. Funeral expenses

If, as a result of an accident, in your motor vehicle covered under this Policy, your driver sustains a fatal injury, whether or not death occurs at the time of the loss, we will pay for associated burial or cremation costs and travel costs within Australia for the deceased driver or any member of the immediate family.

We will pay up to \$5,000, during any one (1) period of insurance.

This 'Additional benefit - Funeral expenses' will not be reduced by any accident compensation.

13. Tyre replacement

If we agree to pay a claim and any tyre cannot be used as a direct result of damage sustained from a loss covered under this Policy, we will pay for the new replacement cost of a similar make and specification.

This 'Additional benefit – Tyre replacement' is applicable provided that the condition of the damaged tyre's remaining tread conforms with legal requirements at the time of damage and it was not a recapped or retread tyre.

14. Locks and keys

If your keys are lost, destroyed or damaged, or if there are reasonable grounds to believe the keys may have been illegally duplicated, we will pay the costs of replacing and recoding the locks and/or keys.

We will pay up to \$5,000 during any one (1) period of insurance.

This 'Additional benefit – Locks and keys' is not subject to loss or damage to the motor vehicle covered under this Policy.

15. Your driver's personal property

We will cover loss or damage to wearing apparel and personal property belonging to your driver not otherwise insured, while contained in your motor vehicle.

We will not cover money, securities, jewellery, furs, mobile phones, personal music devices, portable GPS and laptop computers

We will pay up to \$2,000 for any one (1) accident, during the period of insurance.

16. Windscreen or window glass claim

This additional benefit is available only for motor vehicles that are sedans, station wagons, panel vans, utility, 4x4 or goods carrying vehicles with a gross vehicle mass less than 3,500 kilograms.

We will not reduce your no claim discount for the first broken windscreen or window glass only claim in any one (1) annual period of insurance.

For the purpose of this benefit 'Broken' shall mean a fracture that extends through the entire thickness of the glass or where the windscreen is laminated, a fracture extending through all layers of the lamination, or where the damage is sufficient to prevent registration by the appropriate authorities.

17. Driver accident compensation

We will pay the following compensation to a driver of your motor vehicle who is injured and who as a direct result suffers a permanent disability, as defined and as a result of the accident while driving your motor vehicle.

Compensation will only be payable if:

1. the driver was driving your motor vehicle with your consent and is licensed to drive such a vehicle;
2. the driver was not under the influence of alcohol or any narcotic, depressant, stimulant or hallucinogenic drug, as defined under exclusions applying to the motor vehicle section 7. d.;
3. the claim has been accepted under this Policy; and
4. the driver is not entitled to any benefits under any compulsory statutory insurance scheme or accident compensation scheme or would have been so entitled if:
 - (a) it were not for the application of any excess or deductible applying under the scheme; or
 - (b) compensation under the scheme had not been refused, because you did not register your motor vehicle or apply for cover under the scheme.

Compensation benefit table

Disability from an injury resulting in a compensation	Compensation amount
Permanent quadriplegia	\$100,000
Permanent paraplegia	\$75,000
Permanent total disablement	\$50,000
Permanent loss of entire sight in both eyes	\$25,000
Permanent loss of entire sight in one (1) eye	\$10,000
Permanent total loss of or loss of use of one (1) limb (at or above the wrist or ankle)	\$10,000

Where the driver is permanently left with more than one (1) disability as shown in the compensation benefit table we will pay only one (1) of the compensation amounts shown in the compensation benefit table. In such circumstances the highest single level of applicable benefit will be paid.

The medical diagnosis of the injury leading to the permanent disability must be made within ninety (90) days of the date of accident for any of the benefits to be given.

The establishment of a permanent disability will be solely determined by our medical specialist.

We will not pay a benefit claim until the injury is stabilised, or our medical specialist has confirmed that in their opinion, the injury is of a permanent nature and the injury will not be likely to significantly improve.

Unless the injured driver undergoes all medical examinations organised by us in order to assess the claim no compensation will be payable by us. We will arrange the examinations and pay the costs associated which includes reasonable travel expenses for any examinations arranged by us.

18. Redelivery of driver

Subject to a valid claim under 'Section 1 – Loss, damage or theft of your motor vehicle' of this Policy and the location of the accident being outside 150 km from your base of operations, we will pay the reasonable costs up to \$5,000 to return your driver(s) to your base of operations or the final destination of the scheduled journey. Costs exclude emergency medical transportation.

19. Advanced expenses

Cover provided by this Policy shall also include the reasonable costs for express cartage, overtime, night and weekend pay rates incurred with repair of the damage to your motor vehicle that we have accepted as an accident covered by this Policy.

At all times we will pay:

1. a maximum of \$5,000 any one loss; or
2. an additional 50% of the average market costs for such services;

whichever is the lesser.

20. Travel expenses

Where we have accepted the incurred loss, damage or liability as an accident covered by this Policy and the driver of your motor vehicle has been hospitalised due to injury sustained in the accident we will pay the reasonable cost of domestic transport and domestic accommodation for an individual family member of the driver to visit the driver in hospital.

The maximum we will pay for this additional benefit is \$2,500 in any period of insurance.

21. Motor vehicle recovery costs

Where your motor vehicle becomes unintentionally immobilised on a work site or in a physical situation whilst being used as part of your normal business operations we will cover the cost of recovery or removal toward mobilisation of your motor vehicle.

We will not pay if the immobilisation is as a result of any form of electronic, electric or mechanical failure or malfunction, or normal wear and tear.

We will pay you the cost expended, excluding any allowance for profit by you. You must provide us with tax invoices for the costs you incurred.

At all times we will pay a maximum of \$20,000 during the period of insurance for this additional benefit.

22. Non-owned trailers

It is agreed that we will cover you for loss or damage to any one trailer and its dolly (if applicable) that is not owned, leased or rented by you and is under your lawful custody or control whilst being used by you in conjunction with your business. The basis of cover is as per Section 1 - Loss, damage or theft of your motor vehicle and Section 2 - Third party liability (applicable to registered motor vehicles only).

This cover is limited, at all times, to:

1. \$75,000; or
2. market value;

whichever is the lesser.

An excess of \$2,500 will apply to this single trailer and/or its dolly in total as the standard excess. Additional excesses may apply as shown in this Policy or in your Policy Schedule. Any additional non-owned trailer cover that has been purchased by you will appear separately in your Policy Schedule.

23. Fire suppression system recharge

Where your motor vehicle is described in the Policy Schedule as a harvester, header or similar type of on-farm machinery and as a result of a fire claim that is accepted by us you have discharged your fire suppression system then we will pay up to a maximum of \$1,000 towards recharging this system per motor vehicle per period of insurance. Where we have declared your motor vehicle as a total loss this additional benefit will not apply.

Applicable to third party property damage including fire and theft cover or third party property damage only.

1. Uninsured motorist's benefit

At our option we will either:

1. repair your motor vehicle to its condition immediately prior to the time of loss; or
2. pay you the cost of repairs to your motor vehicle;

resulting from accidental loss or damage to your motor vehicle if you can satisfy us that the accident which gave rise to the claim was totally the fault of the driver of another vehicle; and

1. you tell us the registration number of the other vehicle and the name and address of the driver of the other vehicle; and
2. at the time of the loss or damage the:
 - (a) driver of the other vehicle was not insured for their third party liability; and
 - (b) other vehicle was not owned or registered in your name or in the name of a person who is a relative of yours or any person with whom you normally reside.

The maximum amount we will pay under this additional benefit for all claims from any one (1) accident or series of accidents arising out of the one (1) cause or event is:

1. \$5,000; or
2. the market value of your motor vehicle immediately prior to the loss or damage;

whichever is the lesser.

If we pay you the market value of your motor vehicle, then your motor vehicle in its damaged condition will become (at our option), our property.

Section 2 – Third party liability Applicable to registered motor vehicles only

Cover

1. Property damage

Provided your motor vehicle is registered in accordance with the requirements of State and/or Territory laws, we will cover the amount you may be held legally liable to pay for accidental damage to property belonging to others (excluding goods carried) caused by or arising out of:

- (a) the use of your motor vehicle or any trailer or caravan attached to your motor vehicle, whether or not it belongs to you;
- (b) goods falling from your motor vehicle;
- (c) the transportation of dangerous goods. The maximum amount we will pay for property damage is \$1,000,000 unless shown elsewhere in your Policy Schedule;
- (d) any person who is driving, using or in charge of your motor vehicle with your permission as if they were you and provided they are not entitled to indemnity under any other policy or statute and provided such cover is not otherwise excluded.

2. Pollution clean up costs

Cleanup costs following sudden and accidental pollution or contamination of water, land or the atmosphere following an accident covered under the Policy. The maximum amount we will pay for Pollution is \$1,000,000.

3. Substitute motor vehicle

We cover your legal liability to pay for accidental damage to property (otherwise covered under this section) caused by a vehicle being used by you as a substitute vehicle while your motor vehicle is being serviced, repaired or is not driveable.

Substitute motor vehicle cover will only apply if:

- (a) one (1) substitute vehicle is being used at any one (1) time in place of your motor vehicle; and
- (b) the substitute vehicle is not already covered under another insurance policy; and
- (c) the substitute vehicle is not owned by you and you have the owners permission to drive the substitute vehicle.

4. Your employer's or principal's liability

We will pay the amount your employer, principal or partner may be held legally liable to pay, for accidental damage to property (which is otherwise covered under this section) while you are using your motor vehicle for their business, as long as it is not a use that is excluded by this Policy as described under business use.

5. Your liability as principal

We will cover your legal liability to pay for accidental damage to property belonging to others in respect of any vehicle not owned or supplied by you or hired to you, which is in the charge of or is being driven by a person authorised to use the vehicle on your behalf and in connection with your business.

6. Supplementary bodily injury

We will pay the amount which you, or any person driving, using or in charge of your motor vehicle with your permission may be held legally liable to pay by way of compensation or damages for death or bodily injury to persons arising out of the use of your motor vehicle in Australian States and Territories only.

We do not cover:

- (a) legal liability for death or bodily injury to:
 - (i) you or any person driving, using or in charge of your motor vehicle;
 - (ii) an employee of yours or who is deemed by any law to be your employee, arising out of their employment with you.

We do not provide cover:

- (a) if your motor vehicle is not registered;
- (b) if you or any person using your motor vehicle:
 - (i) is wholly or partly covered under any compulsory statutory insurance scheme or accident compensation scheme; or
 - (ii) would have been entitled to be covered under any such scheme as it existed at the commencement date of the relevant period of insurance, even though there may have been a change in the law during that period of insurance; or
 - (iii) would have been entitled to be covered under any such scheme if it were not for the application of any excess or deductible applying under the scheme; or
 - (iv) would have been entitled to be covered under any such scheme had cover not been refused because you did not:
 - › register your motor vehicle;
 - › apply for cover under the scheme;
 - › comply with a term or condition of the scheme;
- (c) whilst your motor vehicle is being loaded or unloaded;
- (d) if your motor vehicle is registered in the Northern Territory of Australia.

7. Legal costs

We will pay your reasonable legal costs and expenses in defending or settling claims if you have our agreement in writing. We pay this in addition to the amount payable under 'Section 2 – Third party liability'.

Basis of settlement

The maximum amount we will pay under 'Section 2 – Third party liability' in respect of all claims arising out of one (1) incident or series of incidents arising out of one (1) cause or event will not exceed:

1.
 - (a) \$1,000,000 for the transportation of dangerous goods; or
 - (b) \$1,000,000 for Pollution clean up costs; where they apply; or
2. \$32,500,000 for other losses, any one (1) event under 'Section 2 – Third party liability'.

Specific exclusion applying to this section

1. Property damage – property in your care, custody or control

We do not cover the legal liability of you or the driver of your motor vehicle, for damage to any property belonging to you or the driver of your motor vehicle or any property belonging to any other party in your or the driver's care, custody or control, except for premises leased or rented to you or where detailed in 'Special clause – Non-owned trailers'.

However, we will not treat your employees' or visitors' vehicles including their contents while contained within a car park owned, operated or provided by you, as property in your care, custody or control.

What you must pay if you make a motor vehicle claim

Excess

If we accept your claim you must pay the total amount of the applicable excesses. We will tell you if the excess must be paid to the repairer or us. However, if your motor vehicle is a total loss, we may deduct any excess that you must pay from any payment we make.

Depending on the age or experience of the driver, and whether a rigid body tipper or tipping trailer is insured under this Policy, you may have to contribute more than one (1) excess. Each excess is shown in your Policy Schedule and is explained below.

Where more than one (1) motor vehicle covered under this Policy is involved in an incident giving rise to a claim, you will have to pay the applicable excesses in respect of each motor vehicle insured.

Standard excess

You will have to pay a standard excess for every claim. This amount is shown in your Policy Schedule as the standard excess.

Age or inexperienced driver excess

In addition to the standard excess, you will have to pay an age excess or inexperienced driver's excess if at the time of any incident giving rise to a claim your motor vehicle is driven by a person who:

1. is under the age of twenty one (21); or
2. is aged twenty one (21) or more, but under the age of twenty five (25); or
3. is aged twenty five (25) or more but has not held an Australian driver's licence for two (2) or more years for the type of vehicle being driven at the time of the accident.

You will not have to pay this additional excess for motor vehicles that are sedans, station wagons, panel vans, utility, 4x4 or goods carrying vehicles with a gross vehicle mass less than 3,500 kilograms, if the only damage to your motor vehicle is a broken windscreen or window glass or caused by storm or hail damage. The conditions in 'Additional benefit 16. – Windscreen or window glass claim' will apply.

The amount of the Age or inexperienced driver excess is shown in your Policy Schedule.

Heavy motor vehicle inexperienced driver excess

Age or inexperienced driver excess for heavy motor vehicles (motor vehicles with a GVM or GCM of 12,000 kilograms or greater).

Where a rigid body motor vehicle with a GVM or GCM of 12,000 kilograms or greater is, at the time of an incident, being driven by or is in the charge of a person under twenty one (21) years of age, or the person driving or in charge of the motor vehicle has less than two (2) years driving experience in Australia for these motor vehicles at the time of the incident an excess of \$5,000 per accident will apply. This excess is additional to the standard excess.

Where an articulated motor vehicle with a GCM of 12,000 kilograms or greater is, at the time of an incident, being driven by or is in the charge of a person under twenty five (25) years of age, or the person driving or in charge of the motor vehicle has less than two (2) years driving experience in Australia for these motor vehicles at the time of the incident an excess of \$5,000 per accident will apply. This excess is additional to the standard excess.

Undeclared driver's excess

Only applicable if noted in your Policy Schedule

In addition to any other excesses which apply, you will have to pay an undeclared driver's excess if, at the time of an incident which gives rise to a claim, your motor vehicle was being driven by or in the charge of a person:

1. who is a member of your family and they normally live with you; and
2. whose name has not been shown as a driver in your Policy Schedule.

You will not have to pay this excess if:

1. the driver of your motor vehicle is over twenty five (25) years of age and has not been convicted of driving under the influence of alcohol or had their licence suspended or cancelled in the five years immediately before the accident or loss; or
2. you satisfy us that an emergency existed; or
3. the use of your motor vehicle is shown as business or commercial in your Policy Schedule; or
4. the only damage to your motor vehicle is a broken windscreen, window glass, hail damage, or loss or damage which occurs when the motor vehicle is parked or unattended, or
5. The driver of your motor vehicle has his/her own vehicle insured in their own name.

The amount of the undeclared driver's excess is shown in your Policy Schedule if applicable.

Tipping excess

If any rigid truck, rigid trailer or articulated trailer covered under this Policy is involved in an event giving rise to a claim whilst the tipping hoist is partially or fully extended or in the process of being extended or retracted, the standard excess shown in your Policy Schedule will be increased by 100% for each motor vehicle that is subject to claim. Any other applicable excesses that are additional to the standard excess will also apply and are cumulative.

Theft excess

If your motor vehicle is stolen you must pay an excess for theft if shown in your Policy Schedule, in addition to any other excesses payable.

Outside of radius excess

Applicable to motor vehicles with a GVM greater than 3,500 kilograms and less than 12,000 kilograms.

If your motor vehicle is outside a radius of 250 kilometres or the radius shown in your Policy Schedule from your home base(s) or depot(s) at the time of an accident then the total excesses payable will be an additional 100% of your standard excess and an additional premium will be payable (determined by us) for the change in business operations.

Applicable to motor vehicles with a GVM/GCM greater 12,000 kilograms.

If your motor vehicle is outside a radius of 250 kilometres or the radius shown in your Policy Schedule from your home base(s) or depot(s) at the time of an accident then the total excesses payable will be:

1. an additional 100% of your standard excess; or
2. \$5,000;

whichever is the greater.

An additional premium will be payable (determined by us) for the change in business operations.

Learner driver excess

If at the time of a loss or damage a licensed learner driver is in control of the motor vehicle the excesses that will apply are those that would have applied to the licensed passenger who is instructing the learner.

What you will not have to pay if you make a motor vehicle claim

Applicable to comprehensive cover only.

Applying only to motor vehicles that are sedans, station wagons, panel vans, 4x4 or goods carrying vehicles with a gross vehicle mass less than 3,500 kilograms.

You will not have to pay an excess if:

1. you can satisfy us that the claim involves a collision with another vehicle and the collision which gave rise to the claim was totally the fault of the driver of another vehicle; and
2. you tell us the registration number of the other vehicle and the full name, licence number and address of the other driver; and
3. the amount of your claim exceeds the applicable excesses under the Policy.

We give this benefit only if we are allowed legally to recover the amount of any loss including any applicable excesses from the third party.

Where the driver of the other vehicle disputes who was at fault, you must pay any excess which applies but we will refund it if we are successful in establishing that the other driver was at fault.

Exclusions applying to the motor vehicle section

We will not cover:

1. damage to your motor vehicle's tyres caused by application of brakes, road punctures, cuts or bursting, unless caused as a result of an accident covered under the type of cover you have selected or by people acting maliciously;
2. loss of or damage to your motor vehicle:
 - (a) due to depreciation, wear, tear, rust or corrosion;
 - (b) due to failure or breakdown of a structural, electrical, mechanical or electronic nature, or

- (c) to any part of your motor vehicle due to faulty design or workmanship;
- However, we will cover damage directly caused by a collision (other than a collision with the ground whilst your motor vehicle is tipping a load) or fire, to your motor vehicle, resulting from such failure, as mentioned under (b). (c). above.
- (d) due to you driving the motor vehicle after a collision, unless you could not reasonably be expected to know that driving the motor vehicle after an accident could cause such additional damage; or
- (e) caused by loss of oil or coolant unless it is whilst your motor vehicle is being driven by a thief;
- (f) if reasonable steps to protect or safeguard your motor vehicle have not been taken;
- (g) if at the time of an incident, your crane was lifting, lowering, carrying or suspending a load in excess of that for which it was constructed, or for which it was licensed to lift, lower, carry or suspend;
- (h) or liability where the transportation of any goods or substances which are mentioned as dangerous goods, irrespective of the quantities, are not being carried in accordance with the requirements of The Australian Code for the Transport of Dangerous Goods by Road and Rail;
- (i) including any liability, resulting from use of your motor vehicle when let out on dry hire (hired by you to a third party without an operator), unless we have agreed in writing to provide dry hire cover;
- (j) resulting from the incorrect fuel being utilised;
- (k) for liability incurred arising out of the use of your motor vehicle whilst it is underground in a mine or similar whether declared or not.
3. any additional costs, such as but not limited to, hire vehicle costs (other than those covered in this Policy), because you cannot use your motor vehicle even though your motor vehicle may not be available following loss or damage covered under this Policy;
4. loss of or damage to:
- (a) any stock in trade including but not limited to vehicles for sale or on consignment;
- (b) the drill shaft or bit of any drilling rig or machine or implement covered by this Policy whilst in use for the purpose of drilling into the ground or below the surface;
- (c) any vehicle accessories or appliances due to mechanical or electrical derangement;
5. theft of your motor vehicle resulting from your motor vehicle being test driven for sale and you or an employee of yours did not accompany the prospective purchaser;
6. any liability or obligation assumed by you under any contract, agreement or warranty which would not have otherwise arisen or been implied by law;
7. loss of or damage to your motor vehicle or liability:
- (a) when endeavouring to evade police apprehension by you or any of your partners or directors or anyone driving your motor vehicle with your consent;
- (b) if your motor vehicle is used in an unsafe or unroadworthy condition unless such condition could not reasonably be detected by you. This exclusion will not apply if you prove that the loss, damage or liability was not caused or contributed to by such unsafe or unroadworthy condition;
- (c) resulting from theft by you, your partners or directors, or your employees;
- (d) if your motor vehicle is being driven by:
- (i) you or by any person with your consent who is not licensed under any relevant law to drive such a vehicle; or
- (ii) anyone whose faculties are impaired by any drug or intoxicating liquor; or
- (iii) anyone whose blood alcohol reading exceeds the legal limit (subject to any laws to the contrary); or
- (iv) anyone who following an accident, refuses to provide or allow the taking of a sample of breath, blood or urine for testing or analysis as required by the law of any State or Territory in which the accident occurred.
- However we will cover you if you have allowed that person to drive your motor vehicle and you can prove that you were not aware that your motor vehicle was being driven by or in charge of that person when they were so affected or unlicensed.
- Where permitted by law, we reserve the right to recover the amount we pay from the driver of your motor vehicle at the time of the loss or damage.
- (e) whilst your motor vehicle is being used in any experiment or type of test or in preparation for or involved in racing, speed testing, reliability trial, pace making, hill climbing, trial or demonstration other than for resale purposes on public roads;
- (f) if you:
- (i) carry or tow a load; or
- (ii) carry a number of passengers;
- in excess of that for which your motor vehicle was designed. However we will cover you if you prove that the loss, damage or liability was not caused by or contributed to by any such greater load or number of passengers;
- (g) while your motor vehicle is being used for conveyance of passengers for hire, fare or reward unless you have declared this to us and we have agreed in writing and declared this on your Policy Schedule, or your motor vehicle is described in the Policy Schedule as a bus or coach;
- (h) for any vehicle running on rails or which is not designed to run solely on solid ground;
- (i) outside Australia except where your motor vehicle is being transported by sea between Australian ports;
- (j) caused or incurred:
- (i) through vibration from you using your motor vehicle, plant, machinery or equipment;
- (ii) by atmospheric or climatic type conditions or temperature extremes unless such loss, damage or liability is the subject of cover under this Policy;
- (iii) whilst your lifting device is being used and the load being lifted is shared between your lifting device and any other lifting devices or devices, whether owned by you or not.
- (k) resulting from an intentional act by you or anyone acting with your consent;
8. any fines, penalties, aggravated, punitive, exemplary or multiple damages;
9. your motor vehicle if it has been legally seized or repossessed;
10. loss of or damage to any concrete agitator, barrel, bowl or pump and/or its fittings caused by, or arising from the hardening or setting of concrete, unless as a result of a collision the emptying of these items becomes impossible or impractical;
11. you for any breakage of or damage to:
- (a) the boring equipment covered by this Policy while the boring machine is in operation;

- (b) the blades and/or associated attachments of your plant and/or machinery covered by this Policy whilst such plant and/or machinery is in operation. This exclusion does not apply where your motor vehicle is described in the Policy Schedule as a harvester, header or associated front;
12. liability arising out of the use of your:
- crane if at the time of an event it is lifting, lowering, carrying or suspending any object;
 - registered motor vehicle, being used as a tool, or plant forming part of your motor vehicle being used as a tool, operating at any work site (excluding while the motor vehicle is travelling, transporting or carting goods);
 - motor vehicle airside of or at an airfield;
13. liability arising directly or indirectly from the existence, use, transportation, distribution, handling, mining and/or storage of asbestos or any material containing asbestos;
14. your liability for damage to any land, buildings or other fixed property arising directly or indirectly from the removal, weakening or interference with any support or supports of such land, buildings or other fixed property, if such damage is caused by your motor vehicle which is involved at the time in any digging or excavating;
15. your liability or any resultant damage, in respect of loss or damage to any underground sewers, water pipes, gas pipes, electric wire cables, or their supports including any transmission cables and their supports or any other underground pipes or cables or their supports if such damage is caused by your motor vehicle which is involved at the time in any digging or excavating;
16. any liability if your motor vehicle or substitute vehicle is unregistered. However we will cover your liability in respect of the unregistered motor vehicle on a public road, if you have obtained the appropriate permit to drive the unregistered motor vehicle on a public road.

Specific conditions applying to this section

1. Changes to information previously advised

You must tell us as soon as possible if circumstances occur, or if changes or alterations are intended or made which increase the risk of loss, damage or injury.

You must tell us immediately if there is any change:

- to the names of the motor vehicle's owners; or
- of use of your motor vehicle(s); or
- by way of modification, to the manufacturer's specifications to improve your motor vehicle's performance, but only if your motor vehicle is a sedan, station wagon, panel van, 4x4 or a goods carrying vehicle with a gross vehicle mass under 3,500 kilograms.

2. Accidents / losses affect your renewal premium

When calculating your renewal premium all claims that occur during the period of insurance may affect the coming year's renewal premium. Dependant on the number, value and circumstances of those losses it may mean that no renewal terms will be offered after expiry date of the current period of insurance.

In addition if you report an incident or loss after we have advised renewal terms we reserve the right:

- to revise or withdraw our renewal terms;
- where the Policy has been renewed and a claim has been reported that occurred in the previous period of insurance to charge any additional premium relative to the reported loss;

- where the Policy has been renewed, to reduce the period of insurance in proportion to the amount due if that additional amount is not paid within twenty eight (28) days of notification.

3. Protection of insured motor vehicles

You must take all reasonable precautions for the care, safety and protection of the motor vehicles covered under this Policy and comply with all statutory obligations, by-laws and regulations imposed by any public authority for the safety, use and storage of your insured motor vehicles.

4. Providing proof

So that your claim can be assessed quickly you should keep the following:

- receipts or other confirmation of the purchase of your motor vehicle and any accessories; and
- all service and repair records.

We may ask you for these if you make a claim.

What you must do after an accident or theft

If an incident happens which may give rise to a claim you must:

- take all reasonable steps to protect or safeguard your motor vehicle from further loss, damage or theft;
- notify the police immediately if your motor vehicle or any of your property is stolen or maliciously or intentionally damaged;
- tell your Elders Insurance authorised representative as soon as possible. You may be provided with a claim form and will be advised on what to do;
- supply us with all information we require to settle or defend the claim. You are required by law to provide honest and complete information about your claim. We may refuse to pay your claim if you fail to comply with this requirement;
- notify us of any other insurance covering the same loss, damage or liability;
- co-operate with us fully in any action we take if we have a right to recover any money payable under this Policy from any other person;
- provide to us full details in writing as soon as possible after the happening of any accident or occurrence, which may become the subject of a claim under this Policy;
- send to us immediately any letter or communication from other parties;
- tell us immediately of any notice of impending prosecution or details of any inquest or official inquiry;
- assist us with your claim. This means you must provide to us all the information and assistance with your claims that we may reasonably require. We may require you or any other person involved in the claim to be interviewed by us. If you do not provide such cooperation we may refuse to pay your claim or continue cover.

In an emergency outside normal business hours you may call our emergency service on 1800 023 387 for assistance.

If in doubt at any time, call your Elders Insurance authorised representative.

What you must not do after an accident or theft

In the event of an incident that may give rise to a claim, you must not:

- admit liability if an accident occurs which is likely to result in someone claiming against you;
- make an offer, settlement, promise or payment;

3. incur any costs or expenses without our written consent, in respect of any right or claim which may be the subject of a claim by you against us under this Policy;
4. authorise repairs to your motor vehicle without our prior consent.

However you may authorise:

- (a) the fitting of an identical replacement windscreen or window glass;
- (b) repairs up to \$2,000 (over and above any applicable excesses) if you are more than 200 kilometres from the normal nightly parked address and they are necessary to enable you to continue your journey.

What we will do

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.

What can affect a claim

We will reduce the amount of a claim by the excesses shown in the Policy terms and conditions or in your Policy Schedule.

We may refuse to pay a claim if you are in breach of your duty of disclosure or any of the conditions of this Policy, including any endorsements noted on or attached to your Policy Schedule.

We pay only once for loss or damage from the same accident covered by this Policy even if it is covered under more than one (1) part of the Policy.

We may be entitled to refuse to pay or to reduce the amount of a claim if:

1. it is in any way fraudulent; or
2. any fraudulent means or devices are used by you or anyone acting on your behalf to obtain any benefits under this Policy.

Repair guarantee

If We authorise repairs to your motor vehicle, we will guarantee the quality of the repairs for any defect due to faulty workmanship or faulty material for the life of your motor vehicle. For entitlement to any repairs under this guarantee you must first allow us to inspect the motor vehicle and we must agree that repairs are necessary.

Special clauses

The following special clauses will only apply if shown in your Policy Schedule.

Dangerous goods

It is agreed that provided that the transportation of dangerous goods is limited to classes 2, 3, 4, 5, 8 and 9 as listed under The Australian Code for the Transport of Dangerous Goods by Road and Rail, the maximum amount we will pay under 'Section 2 – Third party liability' for property damage is amended for dangerous goods:

1. to include costs, charges and expenses incurred by or on behalf of a Public Authority for the clean up and removal of an escape of dangerous goods from your motor vehicle as a result of an accident; and
2. to the amount shown in your Policy Schedule for dangerous goods; and
3. For the registration number(s) of your motor vehicle(s) shown in your Policy Schedule under "Special clause dangerous goods".

Radius restriction

It is agreed that in respect of the motor vehicle excess that no additional excess applies, whilst operating within the kilometre radius of your home, base(s) or depot(s), shown in your Policy Schedule.

Non-owned trailers

It is agreed that we will cover you for loss or damage to any one (1) trailer and its dolly (if applicable) under your lawful custody or control whilst being used by you in conjunction with your business. The basis of cover is as per 'Section 1 – Loss, damage or theft of your motor vehicle' and 'Section 2 – Third party liability' (applicable to registered motor vehicles only).

This special clause is limited, at all times, to the:

1. sum insured; or
 2. market value;
- whichever the lesser;

as shown in your Policy Schedule for non-owned trailers liability.

An excess of \$2,500 will apply to any one (1) trailer and/or its dolly in total as the standard excess. Additional excesses may apply as shown in this Policy or in your Policy Schedule.

Windscreen excess protection

If the only damage in an accident is a broken windscreen or window glass the standard excess shown in your Policy Schedule does not apply for any windscreen or window glass claim.

For the purpose of this 'Special clause – Windscreen excess protection':

'Broken' shall mean a fracture that extends through the entire thickness of the glass or where the windscreen is laminated, a fracture extending through all layers of the lamination or where the damage is sufficient to prevent registration.

Tools and equipment

It is agreed we will cover your tools and equipment of trade for loss or damage caused by:

1. fire, lightning, explosion, malicious damage or vandalism whilst secured on or in your motor vehicle;
2. theft following forcible and violent entry which causes visible damage to a locked motor vehicle;
3. theft when securely attached to your motor vehicle through the use of locks or padlocks, which results in visible damage to the securing devices;
4. collision or overturning of the conveying motor vehicle.

The amount of cover provided by this special clause is limited to a total of \$5,000 (up to \$1,000 per item) in any one (1) period of insurance.

At our option, we will pay the lesser of:

1. the cost of repair or replacement of the lost or damaged item; or
2. the current market value of the lost or damaged item.

If only part of the item is damaged, we will only pay for that part plus the cost of any necessary dismantling and reassembling.

You must pay an excess of \$250 for each claim made under this 'Special clause –Tools and equipment'.

Underground pipes and cables

If your motor vehicle has a GVM greater than 3,500 Kilograms then general exclusion 15, applying to this Motor Vehicle Section is deleted.

This section will cover you for your legal liability to pay compensation arising out of damage to or as a result of damage to electrical, data, water, sewer or gas infrastructure located underground provided you have ascertained the position of the underground infrastructure from a person accredited to locate underground infrastructure.

The amount of cover provided by this special clause is limited to \$100,000 any one (1) incident.

You must pay an excess of \$500 for each claim made under this 'Special clause – Underground pipes and cables'.

Heavy vehicle hire costs following an accident

If your motor vehicle is damaged in an accident which is covered under this Policy, and we have agreed to pay your claim, we will reimburse you for the costs you incur of hiring a vehicle up to the limit shown in your Policy Schedule whilst your motor vehicle is being repaired or if it is deemed a total loss.

We will reimburse you an amount up to the limit shown in your Policy Schedule:

1. for a maximum of thirty (30) days; or
2. until your motor vehicle is repaired; or
3. until we pay your claim;

whichever happens first.

This cover will commence two (2) days after the date your motor vehicle is taken to the repairer provided we are notified at that time and you have hired a substitute vehicle.

You will need to organise and pay for the hire vehicle. We are not responsible for ensuring that a hire vehicle is available. You must also give us a copy of the rental agreement and any receipts for the hire vehicle before we will pay you.

If the cost of the hire vehicle is more than the maximum limit shown in your Policy Schedule against the vehicle that is subject to claim, you will have to pay the difference.

We do not pay for:

1. additional hiring costs;
2. running costs, including the cost of fuel;
3. damage to the hire vehicle;
4. any insurance, insurance excess or other costs you maybe liable for under the hire vehicle rental agreement.

We will not cover you under this special clause if:

1. the only damage to your motor vehicle is to its windscreens or window glass, or
2. your motor vehicle is stolen, because you may be able to claim under the 'Hire vehicle costs following theft' additional benefit.

Downtime insurance cover

Words with special meanings

Word or term	Meaning
Daily indemnity rate	The rate on the Policy Schedule
Deferment period	The period of time set out in the Policy Schedule either: <ol style="list-style-type: none"> (a) after the receipt by us of the notification of loss; or (b) if you request that the vehicle be transported interstate for repairs, after the date the vehicle arrives at the place it is ultimately repaired.
Effective date	The period of insurance shown in the Policy Schedule
Indemnity period	The period commencing immediately after completion of the deferment period but not exceeding the number of days shown in the Policy Schedule
Limit of Indemnity	The total amount of protection afforded under this cover

Our agreement

If you pay us the premium we agree that as from the effective date we will extend this Policy by providing you with a daily indemnity which will cover you for loss suffered within the indemnity period resulting directly from loss of or damage to your vehicle provided that liability in respect of such damage is admitted under the Policy and subject to the conditions and exclusions of this cover.

The cover

We will pay at our option:

1. the daily indemnity rate during the indemnity period provided that the daily indemnity rate multiplied by the number of days loss of vehicle use does not exceed the limit of indemnity; and
2. all reasonable and necessary costs (to an amount not exceeding \$500) incurred to reduce or prevent the loss that would otherwise be payable under (a) above provided that this amount when added to the amount referred to in (a) above does not exceed the limit of indemnity; or
3. the reasonable cost of hiring a replacement for your vehicle (or part thereof) provided that the daily hire cost does not exceed the daily indemnity rate and further provided that the daily hire cost multiplied by the number of days loss of vehicle use does not exceed the limit of indemnity; until such time as the repairer state that repairs have been completed and that your vehicle has been repaired to its former state of roadworthiness.

Exclusions

We will not pay:

1. for loss after the repairer states that repairs have been completed and that your vehicle has been repaired to its former state of roadworthiness;
2. for loss after we have declared that the vehicle cannot be economically repaired and agreed to treat any claim as being one of constructive total loss;
3. for loss attributable to any overhauls, inspections, or modifications performed on your vehicle whether carried out in conjunction with the repairs to your vehicle or not;
4. for any fines, penalties or loss resulting from breach of contract or not as a result or or attributable to the loss of damage to your vehicle;

5. for any loss for a period greater than fifteen (15) days after the deferment period in the event that your vehicle is stolen and not recovered (provided that if your vehicle is recovered after such fifteen (15) day period has elapsed, we will reimburse you);
6. for loss attributable to time delays caused by or resulting from any changes in legislation or regulation measure or restriction imposed by any government or public authority;
7. for loss attributable to any business of yours being wound up or carried on by a liquidator or receiver or otherwise being permanently discontinued;
8. in any other case a daily indemnity rate greater than the daily indemnity rate specified in your Policy Schedule and in respect of any one claim or incident an amount greater than the limit of indemnity;
9. for any loss which falls within the deferment period;
10. if your motor vehicle was hired out without your driver at the time of the loss;
11. if your motor vehicle was in the possession of another party for the purpose of sale or rental at the time of the loss;
12. for any loss where the loss or damage claim does not exceed the Policy excess.

Conditions

1. in the event of a claim, you must:
 - (a) use diligence to permit all things to be done which may be reasonably practicable to assist with the repairs to your motor vehicle and minimise the loss;
 - (b) furnish to us with all information and evidence which we may reasonably require to assess the loss.
2. We will not insure you under this cover;
 - (a) if your motor vehicle is not insured under this Policy for loss or damage;
 - (b) if your motor vehicle ceases to be insured under this Policy for loss or damage then this cover will be cancelled and any refund will be subject to no claims having been made under this downtime insurance cover special clause during the Policy term;
3. if your motor vehicle is settled as a total loss under the loss or damage section of this Policy and we have finalised your claim for the vehicle under this endorsement then cover will be cancelled with no refund;
4. except to the extent that you cannot use your motor vehicle even though your vehicle may not be available following loss or damage otherwise covered under the Policy is hereby waived, all other terms and conditions of the Policy shall apply to this cover.

Applicable to comprehensive cover only where vehicles are sedans, station wagons, panel vans, 4x4 or goods carrying vehicles with a gross vehicle mass less than 3,500 kilograms only.

Agreed value

We will, at our option:

1. replace your motor vehicle with an equivalent motor vehicle; or
2. pay the agreed value shown in your Policy Schedule.

Hire vehicle costs following an accident

If your motor vehicle is damaged in an accident which is covered under this Policy, and we have agreed to pay your claim, we will reimburse you for the costs you incur of hiring a vehicle while your motor vehicle is being repaired or if it is deemed a total loss.

We will reimburse you an amount up to the maximum daily rate shown in your Policy Schedule:

1. for a maximum of thirty (30) days; or
2. until your motor vehicle is repaired; or
3. until we pay your claim;

whichever happens first.

The cover will commence on the date your motor vehicle is taken to the repairer provided we are notified at that time.

You will need to organise and pay for the hire vehicle. We are not responsible for ensuring that a hire vehicle is available. You must also give us a copy of the rental agreement and any receipts for the hire vehicle before we will pay you.

If the cost of the hire vehicle is more than the maximum daily rate shown in your Policy Schedule, you will have to pay the difference.

We do not pay for:

1. additional hiring costs;
2. running costs, including the costs of fuel;
3. damage to the hire vehicle;
4. any insurance, insurance excess or other costs you maybe liable for under the hire vehicle rental agreement.

We will not cover you if:

1. the only damage to your motor vehicle is to the windscreens or window glass; or
2. your motor vehicle is stolen, because you may be able to claim under the 'Additional benefit - Hire vehicle costs' following theft.

Protected no claim discount

If you are involved in an accident and you make a claim where your no claim discount would normally be affected, then your no claim discount entitlement will not be reduced at renewal of your Policy provided you:

1. are, at the time of the accident, on maximum no claim discount; and
2. do not have more than one (1) claim, where this 'Special clause – Protected no claim discount' is applicable, in any one (1) annual period of insurance

General exclusions

These general exclusions apply to all sections of this Policy.

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, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power, or looting, sacking or pillage following any of these, or the expropriation of property;
2. any act(s) of Terrorism. For the purpose of this exclusion, an act of terrorism includes any act, or preparation in respect of action, or threat of action designed to influence the Government of the day or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or Government(s) of the day or de facto, and which:
 - involves violence against one (1) or more persons; or
 - involves damage to property; or
 - endangers life other than that of the person committing the action; or
 - creates a risk to health or safety of the public or a section of the public; or
 - is designed to interfere with or to disrupt an electronic system.
3. radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste or action of nuclear fission or fusion.

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 1, 2 or 3 above.

4. Unoccupancy

Loss, damage or liability during any period in excess of sixty (60) consecutive days during which the business premises are left unoccupied, unless with our written consent.

To have been occupied, the business premises must have been used for business purposes for at least two consecutive days.

5. Intentional damage

Damage or liability intentionally caused or incurred by:

- (a) you;
- (b) a member of your family; or
- (c) a person acting with your express or implied consent or that of a member of your family.

6. Electronic data

Electronic data or the cost of rewriting records as a result of loss of electronic data.

However, we will provide cover for losses to electronic data and rewriting of records as provided by additional benefit 4. of the property section arising out of the following perils:

fire, lightning, thunderbolt, explosion, implosion, earthquake, subterranean fire, volcanic eruption, impact, aircraft and/ or other aerial device, breakage of glass, the acts of persons taking part in riots or civil commotions or of strikers or of locked out workers or of persons taking part in labour disturbances which do not assume the proportions of or amount to an uprising, storm and/or tempest and/or rainwater and/or wind and/or hail, water and/or other liquids and/or substances discharged and/ or overflowing and/or leaking from any apparatus and/ or appliance and/or pipes.

If the theft section of the Policy is current we will also provide cover for losses to electronic data arising out of theft of any computer and/or computer hardware and/or firmware and/or microchip and/or integrated circuit and/or device containing such electronic data.

If the Electronic equipment section of the Policy is current and 'Optional benefit 1. Electronic data and electronic media' is insured we will also provide cover for losses to electronic data arising out of vibration, power surge, low voltage, mechanical, electrical and electronic breakdown, but not breakdown occurring as a result of any virus, worm, Trojan horse, hacking, or any unauthorised access.

For the purposes of this exclusion 'Electronic data' means any facts, concepts and/or information converted to a form usable for communications and/or displays and/ or distribution and/ or processing by electronic and/or electromechanical data processing and/or electronically controlled equipment which includes but is not limited to programs and/or software and/or other coded instructions for such equipment.

7. Admitted insurance

Claims made or actions instituted within any Country, State or Territory (outside Australia) that require insurance to be issued or secured with an Insurer or organisation licensed in that Country, State or Territory to grant such insurance.

Sanction limitation and exclusion clause

We will not be liable to provide any cover, pay any claim or provide any benefit under this Policy, to the extent that to do so may expose us to any sanction, prohibition, or restriction under United Nations resolutions or any applicable trade or economic sanctions, laws or regulations of any country.

General conditions

There are conditions set out in this General conditions section, in the Claims section and under each particular cover and section. If any of these conditions aren't met, we may refuse a claim, reduce the amount we pay or in some circumstances we may cancel your Policy. When making a claim, you must have met and then continue to comply with the conditions of your Policy. Any person covered by your Policy, or claiming under it, must also comply with these conditions.

If you, or someone covered under your Policy, don't meet these conditions or make a fraudulent claim we may:

- Refuse to pay your claim or reduce what we pay for your claim
- Cancel your Policy.

All persons or companies bound by this Policy and its provisions

All persons or companies entitled to any benefit under this Policy are bound by the terms and conditions of this Policy. We may refuse a claim if you or any of them are in breach of any of the terms and conditions of this Policy including any endorsements noted or attached to the Policy Schedule, except as allowed in motor vehicle section, 'Section 1 - Additional benefit 1. Breach of General conditions'.

Alteration

Unless our written consent is obtained, we will not cover loss, damage or liability caused or contributed to by any alteration after the commencement of this Policy:

1. in the trade or manufacture carried on, or whereby the nature of the occupation or other circumstances affecting the building insured or containing the property insured is changed in such a way as to increase the risk of damage or the likelihood of liability losses;
2. whereby your interest ceases by will or operation of law;
3. whereby the business is wound up or carried on by an insolvency practitioner or permanently discontinued.

If you alter the risk in any of these ways we may cancel your Policy.

Automatic reinstatement

1. After we have admitted liability for loss or damage (other than for a total loss under the property section, employee dishonesty section, employment practices section, Statutory liability section and the motor vehicle section, or claims in respect of products liability), we automatically reinstate the sum insured to the amount shown in the Policy Schedule at the time of loss.
2. If we request an additional premium, you must pay it to us or the cover will be reduced by the amount of the claim settlement.

Changes to your circumstances

You must tell us as soon as possible if circumstances occur, or if changes or alterations are intended or made which increase the risk of loss, damage or injury.

Examples include:

- there are changes the value of your assets; or
- there is a change to your business.

When you tell us of any changes to your business we will issue you with a revised Policy Schedule and you may be asked to pay additional premium. If you fail to tell us of all changes, unfortunately, your Policy may not provide the cover you need and we may not pay part or all of a claim.

Misrepresentation and non-disclosure

If:

1. you failed to disclose any matter which you were under a duty to disclose to us; or
2. you made a misrepresentation to us before the contract of insurance was entered into; and
3. as a consequence we would not have entered into the contract for the same premium and on the same terms and conditions expressed in this Policy; then
 - (a) our liability in respect of any claim shall be reduced to an amount to place us in the same position in which we would have been placed if the failure to disclose had not occurred or the misrepresentation had not been made;
 - (b) if the non-disclosure or misrepresentation was fraudulent, we may avoid this Policy.

Other party's interests

You must tell us of the interest of all parties (eg financiers, lessors or owners) who'll be covered by your Policy. We'll protect their interests only if you've told us about them and we've noted them on your Policy Schedule.

Transfer of interest

You must not transfer any interest in this Policy without our prior express written consent.

Your obligations

You must:

1. take all reasonable precautions to avoid or minimise loss, damage, disablement or liability;
2. maintain all business premises, fittings, appliances and equipment in sound condition;
3. comply with all statutory obligations, by-laws and regulations imposed by any public authority, for the safety of persons or property; and
4. obtain certificates of inspection for all equipment required by any statute or regulation to be so certified.

Claims

What you must do

You must follow these procedures if something happens which causes loss or damage or injury which may lead to a claim. If you do not, we may refuse your claim or reduce the amount we pay you.

1. When loss or damage occurs

You must:

- (a) take all reasonable steps to reduce the loss or damage and to prevent further damage;
- (b) immediately make a full report to the police if:
 - (i) you know or suspect that property has been stolen;
 - (ii) someone has broken into your premises; or
 - (iii) someone has caused malicious damage to your property.
- (c) not make any admission of liability, offer, promise or payment in connection with any event;
- (d) promptly inform us by telephone or in person;
- (e) preserve any damaged property and make it available for inspection by our representative or agent (including a loss adjuster); and
- (f) not authorise the repair or replacement of anything without our agreement.

2. If you want to make a claim

You must:

- (a) fill in our claim form;
- (b) return it to us within thirty (30) days of the event that gave rise to the claim;
- (c) give us all the information and documentation which we request. If we ask for it, you must provide us with a statutory declaration verifying the truth of your claim and any matters connected with it; and
- (d) immediately send us any court document or other communication you receive about the claim. Do not take any action yourself or ask anyone else to do so on your behalf.

3. Proceedings and negotiations

- (a) We control all claims.
- (b) We require that you give us all information and assistance we may need:
 - (i) to settle or defend claims; or
 - (ii) to recover from others any amount we have paid for a claim.
- (c) You must allow us to:
 - (i) make admissions, settle or defend claims on your behalf; and
 - (ii) take legal action in your name against another person to recover any payment we have made on a claim.

We may keep any amount we recover in priority to your right to recover any amount that you have lost which is not insured under this Policy, whether or not we have paid your claim in whole or in part.

4. Discharge of our liabilities

At any time we can pay to you or on your behalf, for all claims made against you for any one (1) occurrence:

- (a) the limit of liability of the section under which the claim is made, after deducting any amounts already paid; or
- (b) any lower sum for which the claim may be settled.

If we do so the conduct of any outstanding claim(s) will become your responsibility.

We will not be liable to pay any further amounts other than costs, charges, or expenses that we agreed to pay before we made the payment referred to above.

5. Limits and excess

- (a) We will not pay more than the sum insured in respect of any claim other than those benefits that are identified as payable in addition to the sum insured, or unless we agree in writing to pay legal costs or expenses in relation to a claim.
- (b) You must pay the amount of any excess shown in the Policy Schedule for each claim you make. Payment of your excess may be requested when you lodge your claim form or may be deducted from our payment to you.
- (c) This condition does not apply to claims covered in the Motor Vehicle Section. If you suffer damage from a single event or accident that you are covered in multiple sections this Policy:
 - (i) the highest applicable excess is payable; and
 - (ii) only one (1) excess is payable.

6. Inspection and salvage

- (a) You must give us access to your property and the location or make them available to us for inspection if you make a claim.
- (b) You must allow us to take possession of any damaged property and deal with it in a reasonable manner. If we do not take possession of the damaged property, you cannot abandon your responsibilities for the property.

7. Other insurances

At the time you make a claim, you must give us written notice of any other insurance covering the property or legal liability which may also apply to your claim.

8. Contribution

When a loss paid under this Policy is also recoverable under another policy and we have paid more than our rateable share, we reserve the right to seek contribution from the other insurer or insurers.

9. False claims

If you, or someone acting on your behalf makes a false claim, or causes loss or damage deliberately, we may:

- (a) refuse to pay the claim;
- (b) cancel this Policy; or
- (c) take legal action against you.

10. Insurance Contracts Act 1984

Nothing contained in this Policy is to be construed to reduce or waive either your or our privileges, rights or remedies available under the *Insurance Contracts Act 1984*.

11. Due observance

If you fail to comply with any term, condition or provision of the Policy, we may refuse to pay a claim, but in any event our rights will be subject to the provisions of Section 54 of the *Insurance Contracts Act 1984*.

Contribution and other insurance

You must notify us of any other insurance which will or may, whether in whole or in part, cover any loss insured under your Policy.

If at the time of any loss, damage or liability there's any other insurance (whether effected by you or by any other person) which covers the same loss, damage or liability you must provide us with any reasonable assistance we require to make a claim for contribution from any other insurer(s).

Excess

An excess is the amount you may be required to pay if you have a claim. The excesses you may be required to pay are set out in your Policy and Policy Schedule.

You may be able to reduce the excess you pay in the event of a claim by paying a higher premium, or if you elect to pay a higher excess in the event of a claim, your premium may be lower. Please discuss these options with your Elders Insurance authorised representative.

GST

If you're a business you must tell us if you're registered, or are required to be registered, for GST. When you do this, we need you to give us:

- Your ABN
- The percentage of any input tax credit you will claim, or will be entitled to claim, on your premium.

When we pay a claim, your GST status will determine the amount we pay you. Your claim settlement amount will be adjusted to allow for any ITC entitlement.

Unless we say otherwise, all amounts in your Policy are inclusive of GST. There may be other taxation implications affecting you, depending upon your own circumstances. We recommend you seek professional advice.

Preventing our right of recovery

If you've agreed not to seek compensation from any person liable to compensate you for loss, damage or liability covered by your Policy, we won't cover you for that loss, damage or liability.

Providing proof

You must be able to prove to us you've suffered a loss covered by your Policy before we'll pay you for it. We may ask you for this proof if you make a claim under your Policy. So your claim can be assessed quickly, make sure you keep the following:

- proof of the value of all property insured; and
- receipts for medical expenses.

Subrogation

If you've suffered loss that wasn't covered by your Policy as a result of the incident, we may offer to attempt to recover this. You may also specifically ask us to recover this for you. You'll need to give us documents supporting your loss. Before we include any uninsured loss in the recovery action we'll also ask you to agree to the basis on which we'll handle your recovery action. You may need to contribute to legal costs in some circumstances.

Other terms

These other terms apply to how your Policy operates.

Cancelling your Policy

You can cancel your Policy at any time by telling us. If there are other people named as insured on your Policy, we only need a request to cancel it from one of you.

We may cancel your Policy in any of the circumstances permitted by law (eg failure to pay the premium by the due date) by informing you in writing.

We'll give you notice in person or send it to your address (including an electronic address) last known to us.

If you've paid your premium in advance, we'll refund you the proportion of the premium for the remaining period of insurance, less any administration fees.

Changing your Policy

Changes to this Policy only become effective when we agree to them and send you a new Policy Schedule detailing the change.

Joint and co-insureds

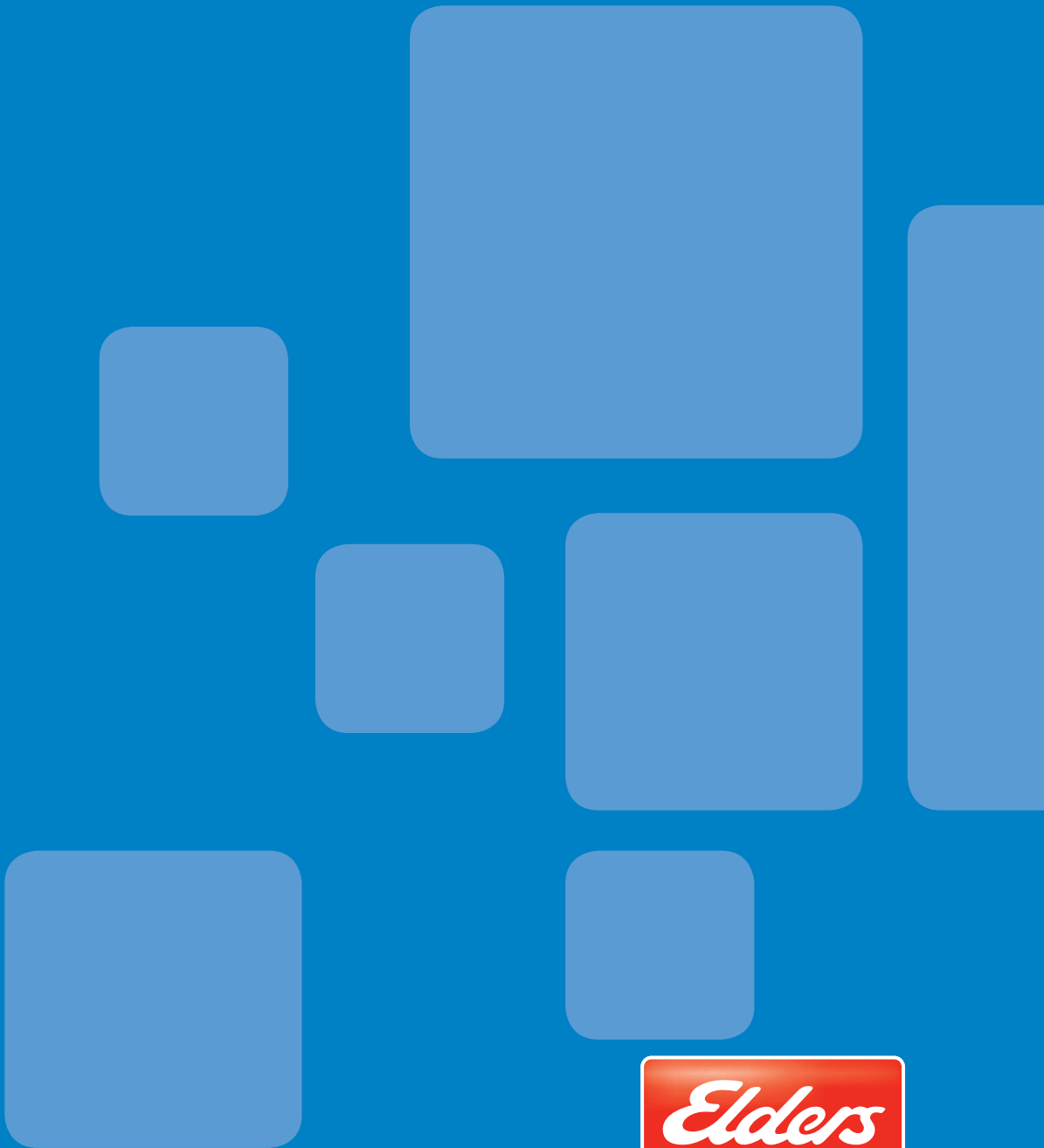
If more than one person is insured under your Policy, we'll treat a statement, act, omission, claim, request or direction by that person as having been made by all insured.

We only need a request from one person insured to cancel or change your Policy.

Notices

Any notice we give you will be in writing, and will be effective once it's delivered to you personally or to your last known address (including when it's an electronic one).

It's important for you to tell us of any change of address as soon as possible.



Insurance