

# Commercial Business Package

## Policy Wording and Product Disclosure Statement



# Commercial Business Package

## Policy Wording and Product Disclosure Statement

### Introduction

The insurer of this Commercial Business Package insurance is WFI Insurance Limited ABN 24 000 036 279, AFS Licence No. 241461, trading as Lumley Insurance.

This document contains important information about this insurance and how it works. Before making a decision to take up this insurance, please read this document carefully.

To determine if this insurance is appropriate for You, it is important that You read:

- This introduction and the important information section—these contain information on some important matters You need to be aware of before applying for this insurance.
- The general provisions – it sets out:
  - i) General definitions—what We mean by certain defined terms in the Policy,
  - ii) General exclusions—what We do not cover for all cover sections,
  - iii) General conditions—additional terms and conditions that apply to all cover sections.
- The cover sections—each sets out the cover provided by the cover section and any specific definitions, exclusions and conditions that apply. The Schedule will indicate which cover sections apply to You.
- Any other documents We provide to You about the insurance which set out details relevant to You and may change the standard cover.

### About Steadfast

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

#### Important information about Steadfast's advice

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

Preparation Date: 12 May 2014

#### NEW SOUTH WALES

Lumley House  
Level 9, 309 Kent Street  
Sydney NSW 2000  
Phone: (02) 9248 1111  
Fax: (02) 9248 1122

50 Glebe Road  
The Junction  
Newcastle NSW 2291  
Phone: (02) 4925 7500  
Fax: (02) 4940 0295

#### CANBERRA

Level 4, 10 Rudd Street  
Canberra City ACT 2600  
Phone: (02) 6279 0333  
Fax: (02) 6279 0330

#### VICTORIA

Level 3, 99 King Street  
Melbourne VIC 3000  
Phone: (03) 8627 4333  
Fax: (03) 8627 4312

#### TASMANIA

76 York Street  
Launceston TAS 7250  
Phone: (03) 6345 4700  
Fax: (03) 6345 4711

#### SOUTH AUSTRALIA

465 Pulteney Street  
Adelaide SA 5000  
Phone: (08) 8228 1700  
Fax: (08) 8228 1777

#### WESTERN AUSTRALIA

Level 7, 5 Mill Street  
Perth WA 6000  
Phone: (08) 9220 8222  
Fax: (08) 9220 8251

#### QUEENSLAND

Level 2, 99 Melbourne Street  
South Brisbane QLD 4101  
Phone: (07) 3307 4800  
Fax: (07) 3307 4899

#### NORTHERN TERRITORY

Level 2, Beagle House  
38 Mitchell Street  
Darwin NT 0800  
Phone: (08) 8946 4600  
Fax: (08) 8946 4666

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# Important Information

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## 1. ENTERING INTO THE POLICY WITH US

Where We have agreed to insure You, We confirm this by issuing You with a Schedule which provides details relevant to You such as Sums Insured, Limits of Liability, Premium and Excesses.

The Policy, which is Your contract with Us, is entered into on the basis of the information provided by You in the application process. Please ensure You have complied with Your Duty of Disclosure as this can affect Your ability to claim.

The Policy is entered into on the condition that You will pay the Premium required by Us by the agreed time (including any adjustments).

In order to calculate Your Premium, We take various factors into consideration, including the level of cover requested and the property to be insured.

Your Premium also includes amounts that take into account Our actual or estimated obligation to pay any relevant compulsory government charges, taxes or levies (for example Stamp Duty, GST and Fire Services Levy).

The Policy is made up of:

- this document,
- the Schedule,
- any endorsements to the Policy issued by Us.

You need to:

- read these documents together as they set out all of the terms and conditions of Your cover,
- check them to make sure that the cover given is what You want,
- keep them together and in a safe place for future reference along with receipts and other evidence of ownership and value of items You have specified on the proposal form or any other application for insurance and for any other items of significant value.

If You do not meet Your obligations under the Policy, We may cancel it and/or reduce Our liability in respect of a claim to the extent permitted by law.

If You need more information about the Policy please contact Your insurance adviser or Us.

## 2. COST OF THE INSURANCE

In order to calculate Your Premium, We take various factors into consideration, including the level of cover requested and the property to be insured.

Factors that increase the risk to us generally increase the Premium (eg. high claims experience or higher Sum Insured) and factors that reduce the risk to us generally reduce the premium (eg. low claims experience or lower Sums Insured).

Your Premium also includes amounts that take into account Our actual or estimated obligation to pay any relevant compulsory government charges, taxes or levies (for example Stamp Duty, GST and Fire Services Levy). Where We are required to pay an estimated amount (eg. for Fire Services Levies) based on criteria set by the Government, We allocate to the Policy Our estimate of the amount We will be required to pay. We may under or over recover in any particular year but We will not adjust Your Premium because of this. You can ask Us for more details if You wish.

When You apply for this insurance, You will be advised of the total amount payable, when it needs to be paid and how it can be paid. This amount will be clearly set out in Your Schedule, which will be sent to You within 5 days of the issue of this product. If You fail to pay, We may reduce any claim payment by the amount of Premium owing and/or cancel the Policy.

You may also be required to pay an excess in the event of a claim under this Policy. The amount of any Excess will be shown on Your Schedule.

## 3. DUTY OF DISCLOSURE

**Your duty of disclosure before You renew, extend, vary or reinstate Your Policy.**

You have a duty under the Insurance Contracts Act 1984(Cth), to disclose to Us every matter that You know, or could reasonably be expected to know, is relevant to Our decision whether to accept the risk of the insurance and, if so, on what terms.

Your duty however does not require disclosure of a matter:

- that diminishes the risk to be undertaken by Us,
- that is of common knowledge,
- that We know or, in the ordinary course of our business, ought to know,
- where compliance with Your duty is waived by Us.

## Important Information

When answering any questions, You must be honest.

We will use the information You disclose in deciding whether to insure You and anyone else to be insured under the Policy, and on what terms.

### Consequence of non-disclosure

If You fail to comply with Your duty of disclosure for a new Policy, or before You renew, extend, vary or reinstate Your Policy We may be entitled to reduce our liability under the Policy in respect of a claim or may cancel it. If Your non-disclosure is fraudulent, We may also have the option of avoiding the Policy from its commencement.

### Other party's interests

We only cover persons specified in the Policy as entitled to cover for the relevant interest specified. If You want to cover a person's interest that is not specified You need to apply to Us for this.

### 4. COOLING OFF

If You are not completely satisfied with the Policy You may cancel it by notifying Us in writing within 30 days of cover having commenced. You will receive a refund of the amount You have paid unless You have made or are entitled to make a claim under the Policy. You still have cancellation rights after this cooling off period ends which are set out in the General Conditions.

### 5. CODE OF PRACTICE

The Insurance Council of Australia Limited has developed the General Insurance Code of Practice, which is a self-regulatory code for use by all insurers. The Code aims to raise the standards of practice and service in the insurance industry.

We are a signatory to the Code. If You require further information about the General Insurance Code of Practice, please contact Us.

### 6. COMPLAINTS

If You have a complaint You may contact Us and request that We review the matter. You should first contact the person who made the decision requesting a resolution within one business day and a referral to his or her manager if such resolution is not possible. The manager has a further five business days to resolve the matter. If the manager cannot resolve the matter You may ask him or her to refer it to a Lumley Internal Dispute Resolution (IDR) Committee which then has a further 15 business days to make a decision.

If You are dissatisfied with Our IDR Committee's decision, You may refer Your dispute to the Financial Ombudsman Service (FOS). The FOS provides a free and independent dispute resolution service for consumers who have general insurance disputes that are covered by its Terms of Reference. If You wish Your dispute to be heard by the FOS, You must refer Your dispute to the FOS within the earlier of two years from the date of receiving Our IDR Committee's decision, or six years from the date You became aware (or should reasonably have become aware) that You have suffered a loss. You may refer the matter to the FOS by contacting them at:

Financial Ombudsman Service  
GPO Box 3  
Melbourne  
Victoria 3001

Phone: 1300 78 08 08  
Email: [info@fos.org.au](mailto:info@fos.org.au)  
Website: [www.fos.org.au](http://www.fos.org.au)

### 7. PRIVACY

We are committed to meeting Our privacy obligations to You under the Privacy Act 1988 (Cth) ('the Act'). The Act provides for information to be collected, used, disclosed and held in accordance with the Australian Privacy Principles (APPs) from 12 March 2014 and prior to 12 March 2014 in accordance with the National Privacy Principles ("NPP").

You agree that We may collect, use, disclose and hold Your personal information as set out below.

#### Collection

We collect information which is reasonably necessary to provide Our services for underwriting and administering Your insurance, claims handling, market and customer satisfaction research and to develop and identify products and services that may interest You. Collection will only take place by lawful and fair means.

We collect information regarding You, other people, any risk to be insured, previous claims or losses, details of previous insurances and insurers, credit status and any matters relevant to the insurance to be provided.

We collect personal information directly or indirectly by telephone, email, facsimile, online, post, external agencies and in person from You or another person or persons.

If We collect information pursuant to a law, regulation, or court order then We will advise You of the law or the court order applicable.

## Important Information

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If You fail to provide Us with personal information then this insurance may not meet Your needs. If You fail to provide information further to Your duty of disclosure to Us, then there may be no cover or a reduced cover for any claim made and in some cases the policy may also be avoided.

At the time of collection or as soon as practicable thereafter We will notify You or make sure You are aware of Our identity, contact details, the purposes for which We collect the information, the consequences of not providing the information, how You can access and correct the information, that We will disclose the information overseas and the countries We will so disclose to.

### Use and disclosure

We may disclose Your personal information to companies in the Insurance Australia Group (IAG), Our agents, overseas service providers, other insurers, mailing houses and document service providers, financial institutions, insurance and claim reference agencies, credit agencies, loss assessor and adjusters, financial or investigative service providers, internal dispute resolution officers and dispute resolution providers such as the Financial Ombudsman Service.

We use and disclose Your personal information for the purposes of providing insurance, administration of Your Policy, claims handling and dispute resolution.

We may also use or disclose Your personal information for a secondary purpose and You agree that We may so use it.

### Indirect collection

When You provide information about other individuals You must make them aware of the disclosure and the use to which their personal information will be put.

We will only collect personal information about an individual from that individual, unless it is unreasonable or impractical to do so.

### Overseas recipients

If Your personal information is collected by or supplied to an organisation outside of Australia We will ensure it will be held, used or disclosed only in accordance with the Act. We collect and provide Your personal information to a call centre in South Africa, information technology centres in India and a customer survey service in New Zealand. The countries to which information may be disclosed may vary from time to time. We provide You with notification of these changes by means of Our online privacy policy which You can access at [www.lumley.com.au](http://www.lumley.com.au).

### Marketing

We also collect Your information so that We and our related companies and business alliance partners can offer You services and products that We believe may be of interest to You. You agree that We may so use Your personal information. However, You can opt out of receiving such communications by contacting Us.

### Access and correction

You can seek access to Your personal information by contacting Us. You can require Us to correct the personal information if it is inaccurate, incomplete or out of date. We will respond to any such request within a reasonable time. We will provide You with access within a reasonable time in the manner requested, unless We are entitled to refuse to provide access. If We decline to provide You with access We will provide You with the reasons for Our refusal and how You may access Our internal dispute resolution (IDR) process.

If We correct information We will inform You. If We refuse to amend information We will provide You with Our reasons for the refusal and details of how to access Our IDR process.

### Data quality and security

We will take such steps as are reasonable in the circumstances to ensure the personal information We collect is accurate, up to date, complete and protected from unauthorised access, misuse, modification, interference or loss.

### Privacy policy

If You would like more details about Our privacy policy, would like to seek access to or correct Your personal information, or opt out of receiving materials We send, please contact Us. You can also view a copy of Our privacy policy on Our website at [www.lumley.com.au](http://www.lumley.com.au).

### Complaints

If You have a complaint regarding Our management of Your privacy You may access Our internal dispute resolution (IDR) process by contacting Us. In the first instance You should contact Us requesting a resolution. The person contacted has one business day to resolve Your complaint and if he or she cannot do so must refer the complaint to a manager. The manager has a further five business days to resolve the matter. If the manager cannot resolve the matter You may ask him or her to refer it to the Lumley IDR Committee which then has 15 business days to make a decision. When We make Our decision We will also inform You of Your right to take this matter to the Office of the Australian Information Commissioner (OAIC) together with contact details and the time limit for applying to the OAIC. In addition if You have not received a response of any kind to Your complaint within 30 days, then You have the right to take the matter to the OAIC.

## Important Information

The OAIC is the statutory body given the responsibility of complaint handling under the Act. The OAIC is independent and will be impartial when dealing with Your complaint. The OAIC will investigate Your complaint, and where necessary, make a determination about Your complaint, provided Your complaint is covered by the Act. You have 12 months from the date You became aware of Your privacy issue to lodge Your complaint with the OAIC. The contact details of the OAIC are:

Office of the Australian Information Commissioner  
GPO Box 2999  
Canberra  
ACT 2601

Telephone: 1300 363 992  
Website: [www.oaic.gov.au](http://www.oaic.gov.au)  
Email: [enquiries@oaic.gov.au](mailto:enquiries@oaic.gov.au)

You also have a right in limited circumstances to have Your privacy complaint determined by the Financial Ombudsman Service (FOS). The FOS can determine a complaint about privacy where the complaint forms part of a wider dispute between You and Us or when the privacy complaint relates to or arises from the collection of a debt. The FOS is an independent dispute resolution body approved by the Australian Securities and Investments Commission. We are bound by FOS' determinations, provided the dispute falls within the FOS' Terms of Reference, but You are not so bound. You have two years from the date of Our letter of decision to make an application to the FOS for a determination. You can access the FOS dispute resolution service by contacting them at:

The Financial Ombudsman Service  
GPO Box 3  
Melbourne  
Victoria 3001

Telephone: 1300 780 808  
Website: [www.fos.org.au](http://www.fos.org.au)  
Email: [info@fos.org.au](mailto:info@fos.org.au)

### 8. GOODS AND SERVICES TAX (GST)

All amounts insured by the Policy are in accordance with the advice You have given to us regarding your GST status. Any claim settlements, up to the total of all amounts insured, will be calculated with reference to Your GST status and the GST status of the property which is the subject of the claim.

We will not be liable to pay any GST, or any fine, penalty or charge that You are liable for arising out of Your misrepresentation of, or failure to disclose, Your proper input tax credit entitlement on the Premium relating to the Policy.

In respect of Your Policy with Us, where You are registered for GST purposes, You should calculate Your proposed Sums Insured with reference to the GST status of each Vehicle or item of Insured Property. Depending on the GST status of each Vehicle or item of Insured Property, the Sums Insured may or may not include a GST component. An amount for GST should only be included in the Sum Insured if the Vehicle or item of Insured Property is not used 100% for business use. All Vehicles or items of Insured Property used 100% for business use should be insured on a GST exclusive basis. Any claim settlements, up to the total of all amounts insured, will be calculated with reference to your GST status and the GST status of the property which is the subject of the claim.

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

### 9. TERRORISM INSURANCE ACT 2003 (CTH)

This Policy excludes cover for losses as a result of Terrorism.

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

A more detailed explanation of the operation of the Terrorism Insurance Act 2003(Cth) can be obtained at [www.arpc.gov.au](http://www.arpc.gov.au).

### 10. PRODUCT DISCLOSURE STATEMENT

The Policy may provide covers that are deemed to be provided to You as a retail client under the Corporations Act 2001 (Cth). Only the parts of the Policy relevant to the cover provided to You as a retail client (and any other documents We tell You are included), make up the Product Disclosure Statement for the purposes of the Act.

### 11. INTERMEDIARY

If an intermediary has been used to arrange the Policy We may pay them remuneration such as a commission or fee.

## Important Information

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### 12. UNDERINSURANCE

It is Your responsibility to ensure that the Sums Insured of the Vehicle or property You want insured by this Policy are adequate. Sums Insured should reflect the new replacement value of any Vehicle or property to be insured. If Sums Insured are not adequate, claims may not be paid in full.

You should review the adequacy of Sums Insured periodically during the Period of Insurance and prior to renewal each year. The inadequacy of Sums Insured can present significant issues of financial hardship. If You are unable to establish the adequacy of Sums Insured, You should seek assistance from Your insurance adviser.

### 13. MANAGEMENT LIABILITY – CLAIMS MADE BASIS

The Management Liability Policy Section is issued on a 'claims made and notified' basis. This means that the Management Liability Policy Section does not provide any cover for claims made after the expiry of Your Policy. However, under s40(3) of the Insurance Contracts Act 1984(Cth) (ICA) We are not relieved of liability by reason only that the Claim was made after the expiration of the insurance if:

- You give notice before the Policy expires to Us of facts which may give rise to a claim against You, and
- that notice is given to Us as soon as reasonably practicable after You became aware of those facts.

The above explanation of the operation of s40(3) of the ICA does not form part of this Policy wording.

When the period of insurance expires, no new notification of claims or facts can be made under Management Liability even though the event giving rise to the claim against you may have occurred during the Period of Insurance.

### 14. FINANCIAL CLAIMS SCHEME

Some sections of this Policy may be a 'protected policy' under the Federal Government's Financial Claims Scheme (FCS) and only applies in the event of an insurer becoming insolvent and the Federal Treasurer declaring that the FCS will apply to that insurer.

Payment of a claim under the FCS is subject to the Scheme's eligibility criteria being met.

Information about the FCS can be obtained from the Australian Prudential Regulation Authority at [www.apra.gov.au](http://www.apra.gov.au) by calling 1300 55 88 49.

### 15. EXCLUSIONS AND CONDITIONS

General Exclusions apply to all cover sections of this Policy. Each cover section also contains exclusions which apply specifically to that cover section. The exclusions explain the circumstances in which We will not cover You. Please refer to the General Exclusions and the exclusions in each cover section for full details.

General Conditions apply to all cover sections of this Policy. Each cover section also contains exclusions which apply specifically to that cover section. The conditions explain the obligations which You must comply with to be able to make a valid claim. Please refer to the General Conditions and the conditions in each cover section for full details.

### 16. UPDATING THE PRODUCT DISCLOSURE STATEMENT

We may need to update this Product Disclosure Statement from time to time if certain changes occur where required and permitted by law. We will issue You with a new Product Disclosure Statement or a Supplementary Product Disclosure Statement or other compliant document to update the relevant information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance, We may issue you with notice of this information in other forms or keep an internal record of such changes (You can get a paper copy free of charge by calling Us).

Other documents may form part of our Product Disclosure Statement and Policy. If they do We will tell You in the relevant document.

# General Conditions

The following general conditions apply to all cover sections of this Policy unless expressly stated otherwise.

## 1. BREACH OF CONDITION OR WARRANTY

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

This condition will not apply to the Motorpack® section of this Policy.

## 2. ACCOUNTANCY RECORDS

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

## 3. ACQUISITION OF COMPANIES

Provided that You notify Us in writing within 30 days of the acquisition of:

- any company or other legal entity acquired during the Period of Cover, or
- any property or liability associated with such company or any other legal entity or business undertaking or operation.

and the Business is of a similar occupation to that stated in the Schedule, We will provide cover subject to Your acceptance of Our terms and undertaking to pay the additional Premium We may require. Our liability shall not exceed the Sum Insured, limit of liability, or any sub-limit of liability applicable under the relevant Policy Section(s) making up Your Policy for each category of property.

This condition will not apply to the Public and Products Liability section of this Policy.

## 4. BANKRUPTCY OR INSOLVENCY

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

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

## 5. CANCELLING YOUR POLICY

### How You may cancel this Policy.

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

### How We may cancel

We may only cancel a Policy where allowed by the Insurance Contract Act 1984 the law says We can. Such cancellation shall take effect at the earlier of the following times:

- the time when another policy of insurance between You and Us or some other insurer, being a policy that is intended by You to replace this Policy, is entered into, or
- at 4.00pm on the thirtieth (30th) business day after the day on which notification was given by Us.

We will cancel Your Policy by telling you so in writing, either in person or by post to Your last known address.

In relation to the Motorpack® Cover Section of this Policy, if We pay the market value or agreed value as a result of a total loss, then Your cover for that vehicle comes to an end without refund of any premium. If this is the only vehicle insured by the Policy, then the Commercial Motor Part of the Policy will be cancelled.

### The Premium

Except as otherwise expressly provided in this Policy, if this Policy is cancelled We will subtract from any Premium You have paid to Us, an amount to cover the period that We have already insured You for (along with GST and any relevant government charges where this is allowed). We will then return the rest of the Premium to You.

### Premium funders

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

### Paying by instalments

If We agree that You can pay Your total Premium amount in a number of payments instead of all at once, this is paying by instalments.

If You are one month (or more) late in paying an instalment, We may cancel Your Policy.

# General Conditions

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## 6. CLAIM PREPARATION EXPENSES

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

This is provided that before You incur these claim preparation costs You obtain Our written approval to incur these costs which consent shall not be unreasonably withheld. This benefit is in addition to the Sum Insured.

This General Condition will not apply to the Motorpack® or Management Liability cover sections of this Policy.

## 7. CLAIMS

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

- Protect Yourself from any danger present.
- Assist other people within Your capabilities if required.
- Take reasonable steps to prevent further loss, damage or liability.
- Notify the police immediately if any of Your property is lost, stolen, or maliciously damaged and provide the police with all assistance to apprehend the offending party.
- Advise Us of the claim as soon as practicable and then supply Us with full written details by completing Our claim form. You or someone acting on Your behalf must complete a claim form within a reasonable time of an occurrence. If You do not, We may reduce the amount We pay if the delay causes increased costs or prevents Us investigating the claim.
- Any invoices, bills, demands letters or notices You receive from other people involved in the loss, damage or accident must be sent to Us as soon as possible.

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

- You must not admit fault or agree to pay for damage without Our consent. Do not make an offer, settle, or attempt to settle any claim against You. If You do We may not pay all or part of the claim.
- You must not incur any costs or expenses or authorise repairs (other than necessary temporary repairs) without Our agreement.

## 8. DESIGNATION OF PROPERTY

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

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

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

## 9. EXCESS

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

This General Condition will not apply to the Motorpack® cover section of the Policy.

## 10. GOODS AND SERVICES TAX (GST)

The amount of Premium payable by You for this Policy includes an amount on account of the GST on the Premium. When We pay a claim, Your GST status will determine the amount We pay.

When You are:

- not registered for GST, the amount We pay is the Sum Insured/limit of indemnity or the other limits of insurance cover including GST,
- registered for GST, We will pay the Sum Insured/ limit of indemnity or the other limits of insurance. Any payments we make will be reduced by any relevant GST component, including but not limited to, any input tax credit to which You are entitled for any acquisition which is relevant to Your claim, or which You would have been entitled were You to have made a relevant acquisition.

You must advise Us of Your correct entitlement to an input tax credit on your Premium and the correct entitlement to an input tax credit on each item of property to be insured .

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

## General Conditions

### 11. INSPECTIONS

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

### 12. POLICY LAW

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

### 13. NON-IMPUTATION

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

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

### 14. OTHER PERSONS OR ORGANISATIONS

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

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

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

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

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

### 15. OUR MAXIMUM LIABILITY

Except as otherwise stated elsewhere in this Policy, the maximum amount We will pay will not exceed the amount stated in the Schedule as the Sum Insured, the Limit of Liability and sub-limits for those sections selected.

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

### 16. PROGRESS PAYMENTS

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

### 17. REASONABLE CARE

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

- if You discover Your products may be defective and the defect may cause a claim under the Public and Products Liability cover section, You must at Your expense take reasonable steps to restrict, trace, recall, modify, replace or repair the products,
- maintain and look after other person's or organisation's property and buildings used or occupied by You, in accordance with Your agreement with them,
- if Your occupation includes digging below ground at sites away from Your Premises the location of underground services must be obtained from the owners of the services,
- comply with all laws and safety requirements imposed by any authority or by State or national legislation.

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

## General Conditions

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### 18. REINSTATEMENT OF SUM INSURED

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

- there is no written request from You or written notice by Us to the contrary,
- the section is an operative section of the Policy, and
- You pay the Premium which We require for the reinstatement.

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

### 19. REWARDS

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

However:

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

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

### 20. SALE OF SALVAGE

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

This General Condition will not apply to the Motorpack® cover section of this Policy.

### 21. SINGLE OCCURRENCE

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

### 22. WAIVER OF SUBROGATION RIGHTS

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

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

## General Exclusions

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

### 1. WAR, TERRORISM, RADIOACTIVITY

#### a) War

We will not pay for any loss or damage occasioned by or through or in consequence directly or indirectly any of the following occurrences:

- i) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) civil war, or
- ii) mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power.

#### b) Terrorism

- i) We will not pay for any death, injury, illness, loss, damage, liability, cost or expense of any nature directly or indirectly caused by, resulting from, or in connection with, any act of Terrorism regardless of any other contributing cause or event,
- ii) We will not pay for any death, injury, illness, loss, damage, liability, cost or expense of any nature directly or indirectly caused by, resulting from, or in connection with, any action taken in controlling, preventing, suppressing or in any way relating to the matters set out in paragraph b)i) of this Exclusion.

#### c) Radioactive Contamination

We will not pay for any:

- a) loss or damage to property eligible for insurance by the relevant Nuclear Insurance Pool and/or Association, or
- b) loss, cost, damage, liability or expense directly or indirectly caused by or contributed to by or arising from:
  - i) ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel,
  - ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof,
  - iii) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter, or
  - iv) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.

This Policy also excludes any loss, destruction, damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, (or contributed to by, resulting from, or arising out of, or in connection with) any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to the above.

### 2. BUSINESS IN LIQUIDATION OR CEASES TO TRADE

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

### 3. GEOGRAPHICAL LIMITATIONS

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

### 4. UNOCCUPANCY

Unless We otherwise agree in writing, We will not pay for any loss or damage to Your Property Insured if the occurrence happens after Your Premises has been unoccupied for more than 90 consecutive days. This exclusion does not apply to damage caused by:

- a) lightning, earthquake, volcanic eruption, tsunami and subterranean fire,
- b) impact by road Vehicle or their loads, animals, trees or branches, meteorite, Aircraft or other aerial devices or articles dropped from them, sonic boom or space debris, falling communication masts, towers, antennae or dishes, falling building or structures or parts thereof which do not belong to You,
- c) riots, civil commotions and strikes.

This exclusion will not apply if the Premises are partly occupied.

### 5. INTENTIONAL ACTS

We will not pay for any loss or damage caused by either Your intentional act or by the intentional act of another party committed with Your knowledge and consent and which You were capable of preventing.

## General Exclusions

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### 6. KNOWN DEFECTS

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

### 7. ELECTRONIC DATA EXCLUSION

We do not cover any loss or damage of whatsoever kind arising directly or indirectly out of:

- i) the loss, corruption, destruction or alternation of or damage to data, coding programme or software, or
- ii) the unavailability of data, or the malfunction or reduction in the functionality, availability or operation of hardware, software or embedded chips, or
- iii) any business interruption losses arising therefrom.

However, We will provide cover for losses to electronic data and rewriting of records if they are otherwise covered apart from this exclusion 6 by a cover section of this Policy which is in force and there is physical loss or damage 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 cover section of the Policy is current and otherwise cover the loss of electronic data apart from this exclusion 6 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 and/ device containing such electronic data.

If the Electronic equipment cover section of the Policy is current and electronic data and electronic data media is insured and otherwise cover the loss of electronic data apart from this exclusion 6 We will also provide cover for direct physical 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.



## General Definitions

**“Aircraft”** means any craft or object designed to travel through air or space, other than a model aircraft or unmanned inflatable balloons used for advertising or promotional purposes.

**“Animals”** means multi-celled organisms other than humans or plants.

**“Automatic Teller Machine”, “ATM”** means a burglar resistant unit designed for the safe storage and disbursement of bank notes which resist fire and attack by hand-held or power operated tools.

**“Buildings”** means the buildings at the Premises. Buildings include:

- a) sheds with a concrete floor and fixed to foundations at the Premises,
- b) customised and modified shipping containers or transportable buildings permanently located at the Premises used as workshops, lunchrooms or storage which are permanently fixed to the ground with electrical or plumbing services as necessary at the Premises,
- c) shipping containers in which the stock Your Business distributes is delivered to Your Premises or from which merchandise is either being loaded into, unloaded from or stored in before dispatch, provided the container doors are secured when unattended with padlocks with a security rating under AS 4145.4 (or any subsequent amendment) of 6 or above and the padlocked container is fully enclosed by a locked cyclone fenced area at the Premises after hours,
- d) shipping containers in which the Stock or Contents of Your Business is stored, provided the container doors are secured when unattended with padlocks with a security rating under AS 4145.4 (or any subsequent amendment) of 6 or above and the padlocked container is fully enclosed by a locked cyclone fenced area at the Premises after hours,
- e) walls, foundations, permanently fixed water and fuel tanks, storage tanks and sheds, awnings, exterior lights, masts, antennae and aerials, fixed external signs, flagpoles, floodlights, gates, fences, car parks, sealed driveways and paths,
- f) verandahs, carports, shelters, awnings, gangways, staircases and all outbuildings,
- g) fixtures and fittings owned by the owner of the building,
- h) underground and above ground services including aprons, supply mains and meters,
- i) external fixed items including swimming pools, saunas and spas, gangways between buildings, lights and signs and air conditioning units,

j) wharves, piers and jetties.

Buildings does not include:

- i) plant and machinery,
- ii) Stock,
- iii) Contents,
- iv) Property undergoing erection, construction, alteration or addition (including the partial dismantlement of existing structures), where the total contract value of all work to be carried out at any one Business Premises exceeds \$500,000 or 20% of the total Sum Insured on Buildings and Contents, whichever is the lesser provided that this limit shall apply only to the portion of the Property Insured which is the subject of any such work and not to any other portion of the Property Insured,
- v) Land, unsealed driveways and paths, topsoil and fill, dams, bridges, canals, tunnels, railway tracks and roadways (not at the Premises).

**“Business”** means the business as described in the Schedule (and, where applicable, as further described in any more specific underwriting information provided to Us at the time when this insurance was negotiated).

**“Business Hours”** means when You or any of Your employees are at the Business Premises for the purpose of conducting Your Business.

**“Business Premises”** the buildings, outbuildings, yards and land used by You for Your Business at the Situation.

**“Business Property”** means buildings, contents, Stock and items listed on the current Schedule and used in Your Business.

**“Computer Equipment”** means general purpose machine, commonly consisting of digital circuitry, that accepts (inputs), stores, manipulates, and generates (outputs) data as numbers, text, graphics, voice, video files, or electrical signals, in accordance with instructions called a program including but not limited to:

electronic data processing equipment comprising a central processing unit, video display units, printers, hard disks, floppy disk drives, micro diskettes including read and write heads, electro or mechanical motors and passive components but does not include software.

**“Computer Virus”** means an executable program or computer code segment that is self-replicating, requires a host program or executable disc segment in which it can be contained and which destroys or alters the host program or other computer code or data causing undesired program or computer system operation.

## General Definitions

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**“Consequential loss”** means loss of use, loss of earning capacity and any other consequential loss of any kind, including loss, damage, cost or expense caused directly or indirectly by or resulting from:

- a) delay or interruption of the Business,
- b) lack of power, light, heat, steam or refrigeration; or
- c) any other indirect result or consequence of a Breakdown.

**“Contents”** means all property at the Premises, belonging to You or for which You are responsible for.

Contents includes:

- a) machinery, unregistered forklifts and hoists, communication systems, fixtures and fittings,
- b) signs and awnings (but only if You are a tenant),
- c) plant permanently fixed to Your Buildings,
- d) documents of title and any other documents of aesthetic, historic, scientific or social value for past, present or future generations,
- e) computer systems records, manuscripts, other documents, deeds, specifications, plans, drawings, designs, business books and other records of every description,
- f) paintings, works of art and curios,
- g) Stock,
- h) goods sold but not delivered and goods held by You on consignment or commission,
- i) property not owned by You but on Your Business Premises for service, repair, alteration or safe keeping,
- j) property of Your welfare, sports and social clubs,
- k) unused stationary and printing books,
- l) where You are a tenant of a leased or rented premises:
  - i) property owner’s fixtures and fittings, window blinds, floor coverings and Glass for which You are liable under the terms of a lease or similar agreement,
  - ii) fixtures and fittings installed by You for use in the Business, and
  - iii) installed fixtures and fittings, window blinds, cool rooms, awnings, CCTV and other security systems, exterior lights, masts, antennae and aerials, fixed external signs and air conditioning units including external compressors and pipes at the Premises,
- m) Money up to \$500,
- n) computers, word processors, printers, scanners and other peripheral equipment and other electronic equipment or electronic data processing systems,

o) digital or analogue telecommunication transmission and receiving equipment, lighting facilities, televisions, audio visual amplification or surveillance equipment and office machines,

p) current patterns, models, moulds, dies and casts used in the business but limited, unless repaired or replaced, to the value stated in Your financial records at the time of damage,

Contents does not include:

- a) Buildings,
- b) Specified Items,
- c) growing crops, trees or plants other than pot-plants,
- d) animals, livestock, fish, birds and any other living organism except laboratory cultures,
- e) motor Vehicles or trailers, caravans or motorcycles all while registered or licensed to travel on a public road, provided that this exclusion will not apply to:
  - i) mobile plant and equipment (excluding cars, sedans, panel vans, and trucks) not otherwise insured,
  - ii) motor Vehicles or trailers, caravans or motorcycles that are Stock in trade of the business,
- f) jewellery, furs, bullion, articles containing gold and silver which are not Stock and which exceed \$10,000 any one item,
- g) Watercraft, Aircraft or any accessories, equipment or spare parts whilst contained in or on these items unless they are Stock and are on Your Business Premises at the time of any loss or damage.

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

**“Customer’s goods”** means:

- a) Goods that belong to Your customers that are in Your physical or legal control because the business repairs, services, maintains, or stores those goods before or after it repairs, services, maintains the goods,
- b) Goods that have been purchased by a customer but are in Your physical or legal control awaiting delivery,
- c) Customer’s goods includes items of property at the Premises under a ‘sales or return’ consignment agreement.

Customer’s goods do not include consigned items of property under an ‘agency’ arrangement where You make a commission on a sale.

## General Definitions

**“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.

**“Electronic Equipment”** means any of the following equipment provided it is owned, leased, operated or controlled by You and used in Your business:

- any electronic machine, device or instrument used for research, diagnosis or medical treatment,
- telecommunication transmission and receiving equipment,
- lighting facilities, audio visual, amplification and surveillance equipment,
- office machines owned by You or for which You are legally responsible,
- computer equipment.

**“Employee”** means any person while employed by You in the business who You compensate by salary, wages, or commission and have the right at all times to govern, control and direct in the performance of their work.

Employee includes:

- Volunteers; and
- Students on work experience.

Employee does not include:

- any broker, factor, consignee or contractor,
- any member of Your family unless that person is also an employee, or
- any partner, director or trustee unless that person is also Your employee.

This definition will not apply to the Motorpack® cover section of this Policy.

**“Endorsement”** means documentary evidence of an alteration to the Policy which forms part of the Policy.

**“Event”** or **“Events”** means one incident or all incidents of a series consequent on, or attributable to, one source or original cause.

**“Excess”** means the amount, or the loss applicable to a specified period of time, expressed as an Excess on the current Schedule or elsewhere in the Policy. This is the first amount of any loss that You must pay before We pay Your claim.

**“Family”** means

- Your spouse, Your partner or Your de-facto who lives with You,
- Your parents and parents-in-law who lives with You,
- Your children and children of Your spouse, partner or de-facto (not being Your children) who live with You,
- Your brothers and sisters who lives with You.

**“Flood”** means the covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:

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

**“Fungus/Fungi”** means a group of simple plants that have no chlorophyll. They include but are not limited to mould, mildew, and yeast. Fungi also includes spores.

**“Glass”** means

- fixed glass forming part of or fixed to the exterior of the building including glass in fixed signs, or
- fixed internal glass including fixed glass in furniture, counters, shelving and showcases, fixed and hanging mirrors, fixed washbasins, sinks, toilet pans and cisterns, contained within the building.

Glass includes External Glass, Internal Glass and Specified Glass as defined in the Glass cover section.

This definition will not apply to the Motorpack® cover section of this Policy.

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

**“Hovercraft”** means any vessel, craft or device made or intended to float on or in or travel on or through the atmosphere or water on a cushion of air provided by a downward blast.

## General Definitions

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**“Insured/You/Your”** means for all Policy sections other than the Public and Products Liability cover, any person, company or legal entity shown on the Schedule as the insured.

**“Limit”** means the maximum amount We will pay under any cover section of the Policy and may be expressed ‘per accident’, ‘per occurrence’, ‘per annum’ etc.

**“Media”** means material on which data is recorded or stored, such as magnetic tapes, hard drives, cartridges, dongles, CD’s, DVD’s, USB’s, flash drives, memory cards or floppy disks.

**“Money”** means current coin, bank notes, currency notes, cheques, credit card sales vouchers, securities, postal orders, money orders, negotiable and nonnegotiable securities and other like documents of value, phone cards and/or stored value cards, unused postage and revenue stamps, public transport tickets, private transport tickets (excluding airline tickets), bridge or highway tokens, car wash tokens, lottery tickets, authorised gift vouchers, discount vouchers from external parties, contents of franking machines and includes cash boxes, alarm bags, or any other portable container used to convey Money all belonging to You or for which You are legally responsible or have assumed a responsibility to insure but does not mean any of these in the possession of or carried by professional Money carriers, professional carriers or common carriers.

**“Obsolete Stock”** means **“Stock”** which can no longer be sold for its full value, for example, but not limited to, stock which is out-of-season fashion, superseded computers or perishable goods beyond their used by date.

**“Occurrence”** means an event, including continuous or repeated exposure to substantially the same general conditions.

**“Period of Cover”** or **“Period of Insurance”** means the time cover commenced to the time cover expires. The dates are shown on the current Schedule. Unless stated otherwise, cover shall expire at 4.00pm local time at the place where You arranged the cover.

**“Policy”** means this document, the Schedule and any attachment or memoranda affixed and any future documents issued to You which amends the Policy wording or Schedule.

**“Pollutants”** means any solid, liquid, gaseous or thermal irritant or contaminant, including, but not limited to, smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste materials. Waste includes material to be recycled, reconditioned or reclaimed.

**“Premises”** means the Premises stated in the current Schedule at which and from which You operate your business. The Premises includes buildings and land within the legal boundaries.

**“Premium”** means the amount(s) shown in the Schedule that You have to pay inclusive of all charges for the cover We provide.

**“Property Insured”** means the property as described on the Schedule in respect of each Cover Section. It includes Buildings, Contents, Stock and items listed on the current Schedule and used in your Business.

This definition will not apply to the Motorpack® Cover Section of this Policy.

**“Rewriting of Records”** means the cost of restoration of computer records, documents, manuscripts, securities, deeds, specifications, plans, drawings, designs, business books and other records of every description.

**“Safe or Strongroom”** means a burglar-resistant structure constructed of masonry and steel which has been designed to resist fire and attack by hand-held or power-operated tools and has been specifically designed for the storage of Money and valuables. A Safe is not

- a cash tin, or
- a locked drawer in a filing cabinet or desk, or
- a burglar resistant container weighing less than 20 kilograms that is not fixed by expanding masonry anchor bolts to the wall or floor of the Premises.

**“Schedule”** means the most current Schedule or any future renewal Schedule, including any endorsements issued by Us in connection with this Policy.

**“Seasonal increase period/s”** means any period of time during the Period of Insurance that has turnover, sales or level of stock at least 20% higher than the average turnover, sales or level of stock at other times during the Period of Insurance.

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 cover section which has the seasonal increase cover, then Your financial records over at least the previous 2 years must substantiate the period as a seasonal increase period. If the business is less than 2 years, We will use the financial records of Your business from the date of commencement until the date of the loss or damage to substantiate Your claim.

You can nominate different stock increase period(s) or higher percentage increases of stock. If You do they will be shown on Your Schedule and You must pay any additional premium that applies.

## General Definitions

**“Stock”** means products and materials You intend to sell, raw or consumable materials or products used by you in the Business and Your products while being made, repaired or altered.

Stock also includes items of property left at Your Premises under a ‘sales or return’ consignment agreement and Customers’ goods.

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

**“Subsidiary Company”** means any company in which You have a controlling interest. For the purpose of this definition the term ‘controlling interest’ shall mean the beneficial ownership of shares carrying more than 50% of votes capable of being cast at a general meeting of all shareholders of the company.

**“Sum Insured”** means the maximum amount that will be paid under each cover section of cover selected. The Sum Insured will vary depending on your requirements in relation to each Policy cover section.

**“Terrorism”** means an act including but not limited to the use or threat of force or violence 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) which from its nature or context is committed for or in connection with any political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public or any section of the public in fear.

**“Vehicle”** means any type of machine on wheels or on self-laid tracks made or intended to be propelled by other than manual or animal power, and any trailer or other attachment to be utilised in conjunction with or drawn by any such machine.

**“Watercraft”** means any vessel, craft or thing made or intended to float on or in or travel through water, other than model boats.

**“We”, “Us”, “Our”** means the insurer of the Policy, WFI Insurance Limited A.B.N. 24 000 036 279, trading as Lumley Insurance.

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### ABOUT THIS COVER SECTION

This cover section of the Policy covers physical Loss of or Damage to Your Property Insured during the Period of Cover. It does not cover the theft or breakdown of Your Property Insured.

### YOUR INSURANCE UNDER THIS COVER SECTION

Provided ‘Business Property’ is shown under ‘What’s Covered’ in the Schedule, We will cover You up to the Sum Insured for accidental loss or damage to Your Property Insured at the Premises during the Period of Cover.

### WHAT WE PAY

The maximum We will pay for any one claim, other than a claim for a Specified Item, under this cover section is the Sum Insured shown on the Schedule or adjusted in accordance with this Policy Section, whichever is the higher.

The maximum We will pay for each Specified Item is the Sum Insured shown in the Schedule for that item.

For Contents that are works of art, antiques or curios We will only pay the value of the item up to a maximum of \$10,000 for each item unless they are a Specified Item.

For any item of contents or for any Specified Item that is part of a pair or set, the limit applies to the pair or set.

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

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

Building(s), Specified Items or Stock.

#### 1. Reinstatement or replacement value

Unless the Schedule shows You are insured for ‘Indemnity’ then, when Buildings, Specified Items, Contents or Stock are lost or destroyed We will at our option:

- rebuild the Buildings at the Premises shown on Your Schedule or at another site,
- replace Contents, Stock or Specified Items with similar property,
- pay You the amount shown on the proof of purchase for Specified Items unless the Specified Items are works of art, antiques or curios,
- pay You the amount of a valuation by the Auctioneers and Valuers Association of Australia for Specified Items of works of art, antiques and curios, and

- pay the cost of rebuilding, or replacing the Buildings, Specified Items, Stock or Business Contents.

Reinstatement or replacement is subject to the following conditions:

- You must commence to rebuild, replace or repair within a reasonable time of the loss or damage, after Our consent has been obtained. If You do not, We will pay no more than the cost that would have been incurred if the work of rebuilding, replacement or reinstatement has been commenced and carried out with a reasonable period of time,
- Property Insured may be rebuilt or erected at another location and in a manner suitable to You provided You pay any additional costs to build or erect elsewhere,
- when any Property Insured is damaged, but not destroyed, We will not pay more than the amount that We could have been called onto pay for if that Property Insured had been destroyed or damaged,
- We will only pay to return the Property Insured to a condition substantially the same as, but not better or more extensive than, its condition when new, using building materials readily available and in common use in The Commonwealth of Australia.

#### 2. Indemnity value

If the basis of settlement is shown in the Schedule as Indemnity, then, for any loss or damage to Buildings or Contents, We will at Our option:

- pay the cost to repair or replace the Property Insured less an equitable amount for age, wear, tear, depreciation and the general condition and remaining useful life of the individual item or components that are damaged,
- pay You the market value of the Building or Contents at the time of its loss or damage.

Where Your Schedule shows the basis of settlement as Indemnity, the Underinsurance/average condition in this cover section is amended to read:

In the event of loss or damage to property We shall be liable for no greater proportion of the loss or damage than the Sum Insured at the Premises bears to eighty percent (80%) of the current value of the Property Insured, provided that Our liability shall not exceed the Sum Insured stated against each item in the Schedule.

#### 3. Branded goods

In the event of a claim, any salvage of branded goods or merchandise owned by You or held by You in trust or on commission and any goods sold but not delivered shall not be disposed of by sale without Your consent. If You do not agree to Us selling the branded stock as salvage then the

## Business Property

basis of settlement of the claim shall be the Market Value of the goods after brands, labels or names have been removed by You or on Your behalf.

#### 4. Extra cost of reinstatement

Where 'Reinstatement or replacement' basis of settlement is shown in the Schedule, We will also pay the extra costs of reinstatement (including demolition or dismantling) of damaged Property Insured which are necessarily incurred to comply with the requirements of any Act of Parliament or Regulation made under an Act or By law or the Regulation of any Municipal or Statutory Authority other than those relating to the heritage status of a Building.

#### 5. Extra costs of reinstatement: Heritage building

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

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

#### 6. Conditions which apply to extra costs of reinstatement

The following conditions apply:

- the work of reinstatement, must be commenced and carried out within a reasonable period, failing which We will not pay more than the amount which would have been payable under the Policy if the work of reinstatement had been commenced and carried out with reasonable dispatch,
- the amount recoverable shall not include the additional costs incurred with complying with any such Act, Regulation or By-law or requirement with which You have been required to comply prior to the happening of the damage,
- the work of reinstatement may be carried out wholly or partially upon any other site, if the requirements of the Act, Regulation or By-law necessitate it, subject to Our liability not being increased,

Our total liability under this clause 'Extra cost of reinstatement' will be limited to:

- the sub limit of liability shown in the current Schedule for 'Extra cost of reinstatement' which shall be in addition to the Sum Insured, or
- the balance of the Sum Insured for this cover section whichever is the greater.

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

#### 7. Loss of Floor Space

Where Buildings insured under this cover section are damaged and destroyed and reinstatement of such damage is limited or restricted by:

- any Act of Parliament or regulation thereunder, or
- any by-law or regulation of any municipal or other statutory authority,

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

- the actual costs of rebuilding the Building with the reduced floor space, and
- the estimated cost of reinstatement at the time of damage had the reduced floor space ratio index (plot ratio) not applied.

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

#### 8. Output replacement

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

- Where any Property Insured is to be replaced with any item or items which have the same or a lesser total function, capability or output, then the basis of settlement is the new installed cost of such replacement item or items as would give the same total function, capability or output as the Property Insured.
- Where any Property Insured is to be replaced with an item or items which have a greater total function, capability or output and the new installed cost of such replacement

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property is no greater than the replacement value of that Property Insured, then the basis of settlement is the new installed cost of the item or items so replaced.

- Where any Property Insured is to be replaced by an item or items which have a greater total function, capability or output and the new installed cost of such replacement property is greater than the replacement value of the Property Insured, then the basis of settlement is the lesser of the reinstatement value or that proportion of the new installed cost of the replacement item or items which the output of the Property Insured damaged bears to the output of the replacement item or items provided always that the amount payable shall not be of lesser value than the estimated cost which would have been payable if such damaged property could have been replaced by an item or items that would have given the same total function, capability or output as the damaged Property Insured. If the reinstatement value of the damaged Property Insured is not ascertainable then the basis of settlement is the new installed cost of the replacement item or items.

#### 9. Stock

If Stock is lost or damaged, We will, at Our option:

- pay the market value of the Stock at the time of the loss or damage,
- pay You the market value of Obsolete Stock or its purchase price (net of GST), whichever is the lesser, but no more than the original cost to You,
- replace or repair the Stock with property or materials equal to or of a similar standard and specification as the Stock at the time it was lost or damaged, or
- pay the cost of repair or replacement of the lost or damaged Stock.

#### EXTRA COVERS

Subject to the exclusions and conditions in this cover section, when damage to Property Insured is covered by this cover section, We will pay for the following costs that are incurred as a result of that damage.

Unless stated otherwise below, any amounts payable under these extra covers apply in addition to the Sum Insured.

#### 1. Capital additions

If Buildings or Contents are insured and:

- Buildings, or part of them, are in the process of being constructed, erected, altered or added to, or
- Contents, excluding Stock, are in the process of being installed or modified,

We will pay up to an additional:

- \$500,000, or
- 20% of the total Sum Insured on Buildings and Contents, whichever is the lesser amount.

#### 2. Catastrophe inflation protection

If: We agree to pay a claim for damage to your Building that is a direct result of a Catastrophe,

We will:

- increase the Sum Insured applicable to such Buildings under this cover section by up to 20% provided that Your Building is rebuilt, and
- increase the amounts payable under the 'Capital Additions' (relating to Buildings only) Extra Cover and 'Prevention of loss or damage' Additional benefits of this policy section by 20%,

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

We shall not pay:

- more than the increased building costs which are actually incurred by You,
- any amount under this Extra Cover until You have incurred costs exceeding the Sum Insured applicable to such Building under this cover section.

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

We will not pay any claim under this extra cover if You choose not to rebuild the Buildings (or any part of them) at the Premises shown on Your Schedule. We will not increase the Sum Insured to pay for damage to any Property Insured other than Buildings.

We will not pay any claim under this extra cover if Your Schedule shows the Building as being insured for 'Indemnity'.

#### 3. Discharge of mortgages

If Property Insured has been damaged and the damage is covered by this cover section, We will pay the reasonable legal costs to discharge a mortgage or mortgages on Buildings or Contents following settlement of a claim on the basis of a total loss whether actual or constructive.

We will pay up to \$25,000 for any one Event.

#### 4. Floating Stock

Where We pay a claim for loss of or damage to Stock at the Premises, We will pay more than the Stock Sum Insured at

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that Premises to account for the temporary transfer of Stock between Premises provided that:

- a) there are at least two Premises specified on the Schedule and a Sum Insured has been separately specified on the Schedule for Stock at each Premises insured under this cover section, including the affected Premises, and
- b) you transfer the Stock between Premises as a usual business practice.

We will not pay a claim under this extra cover where Stock levels in excess of the Sum Insured at a Premises have been temporarily located at that Premises for a period exceeding 90 days and where We have not agreed in writing to an extended period.

We will not pay more than the total of the Stock Sum Insured for all Premises.

For example: assume that You operate from two retail premises, each with a stock Sum Insured of \$50,000. At the time of an insured Event that destroys the Premises, Stock at the premises where the loss occurs is valued at \$70,000 and there is Stock valued at \$25,000 at the other Premises (making a total of less than the \$100,000 total Stock Sum Insured) then We will pay up to \$95,000.

### 5. Government fees

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

The cost of government fees is included in the Sum Insured for Buildings or Contents. If the Sum Insured is exhausted, the most We will pay under this Extra Cover is \$10,000.

### 6. Landscaping

We will pay for loss, or damage to growing plants, shrubs, garden plots and lawns (including rock work, retaining walls, ornamentation and edging pertaining thereto) at the Premises. We will also pay resultant expenses necessarily incurred in cleaning, clearing and/or repairing drains, gutters, sewers and the like, all contained in or on or forming part of or implicitly pertaining to the Buildings. We will not pay more than the lesser of \$50,000 or 20% of the Sum Insured at the Premises specified in the Policy Schedule in respect of any one Event. This additional benefit is included in the Sum Insured of the Buildings covered by this cover section.

We will not pay for any loss of or damage to landscaping which occurs as a result of storm, wind and rain (including snow, sleet or hail).

### 7. Loss of land value

If We pay for a claim for loss of or damage to a Building at the Premises, We will pay for any reduction in land value that results from the decision of any statutory authority that does not allow rebuilding (or only partial rebuilding) at the Premises.

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.

We will not pay more than 20% of the Sum Insured for Buildings at the Situation where the damage happened or \$100,000 whichever is the lesser.

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

### 8. Playing surfaces

We will pay, up to the greater of \$50,000 or the amount shown in the current Schedule for playing surfaces, for the cost of repairing damage to outdoor playing surfaces at the Situation, caused by:

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

This extra cover is in addition to the Sum Insured.

### 9. Professional fees

If Property Insured has been damaged and the damage is covered by this cover section, We will pay the cost of reasonable professional fees incurred in the rebuild or repair or replacement of Your Buildings and Contents. The cost of professional fees and legal costs are included in the Sum Insured of the property lost or damaged. If the Sum Insured has been exhausted, We will pay up to \$5,000 any one event.

We will not pay any claim under this extra cover if Your Schedule shows the Building as being insured for "indemnity".

### 10. Removal and Disposal of Trees and Branches

If damage to Property Insured is caused by impact from trees or branches of trees, We will pay the reasonable costs associated with the removal and disposal of the tree or branches, which caused the damage.

### 11. Removal of debris

If Property Insured has been damaged or destroyed and is covered by this cover section, We will pay the reasonable

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costs incurred for the demolition, dismantling, shoring up, propping, underpinning and other necessary temporary repairs, cleaning up and/or removal, storage and disposal of debris from the Premises. We will also pay for Your legal liability for the cost of removal of debris from adjoining premises, property, services, roadways and waterways as well as on the site.

We will pay You up to \$100,000 or 20% of the total sum insured on Building and Contents shown on the Schedule for the damaged Premises whichever is the greater, or the higher amount shown in the current Schedule for removal of debris or if this is insufficient and You have not exhausted Your Sum Insured on the damaged items requiring demolition and/or removal of debris, We will pay up to the remaining balance of the Sum Insured.

### 12. Rewriting of records

We will pay the reasonable costs of restoring the Data stored on Media or the cost of clerical labour actually, necessarily and reasonably incurred in rewriting, restoring or recreating the records at each Premises for:

- a) business books, plans, computer records, patterns and other business records that are damaged,
- b) business records of Your customers at the Premises, or
- c) your business records stored off site (if Your business records stored off site are damaged, it is not necessary that there be damage to Property Insured which is covered by this cover section).

We will pay You, in addition to Your Sum Insured, up to \$25,000 any one event or the amount shown in the current Schedule.

### 13. Seasonal Increase in Stock

If You have insured Stock as a separate item to your Contents, the Sum Insured on Stock is increased by 50% for the Seasonal Increase Period.

If Your Sum Insured for Stock is included in another item on the current Schedule We will only apply the increase to the portion of the Sum Insured which relates to Stock.

### 14. Taking inventory

We will pay up to \$5,000 for the reasonable costs and expenses incurred by You in taking inventory (including unpacking, repacking and restacking) to identify, quantify and value any Property Insured damaged during the Period of Insurance including examination of Property Insured not belonging to You but in Your care, custody or control.

### 15. Undamaged foundations

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

#### ADDITIONAL BENEFITS

Subject to the exclusions and conditions in this cover section, We, also provide the following Additional Benefits.

Unless stated otherwise below, any amounts payable under these additional benefits apply in addition to the Sum Insured.

#### 1. Damage to glass in vacant buildings

If You own but do not occupy any Buildings shown as insured under this cover section at a Premises, We will cover You for the following costs directly related to the breakage of glass in the Period of Cover in a rentable area of the Building that is vacant at the time of the breakage:

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

We will not pay more than \$5,000 during any one Period of Cover for all claims under this Additional Benefit.

We will not cover You under this Additional Benefit for any breakage:

- a) of Glass caused by or arising out of fire or the application of heat,
- b) of Glass:
  - i) when in transit or whilst being fitted into position or removed from its fitting,
  - ii) in light fittings,
  - iii) that is cracked or imperfect prior to breakage,
  - iv) that is not fit for the purpose intended, or
- c) that is in a glasshouse.

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We will not pay for the breakage of:

- a) tiles on shopfronts and office fronts, other than around the broken Glass, or
- b) plastic or perspex signs.

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

- a) You have selected the Glass cover section of the Policy,
- b) your insured Building is leased to a tenant, or
- c) the Building has remained unoccupied or untenanted for a continuous period longer than 60 days and We have not agreed to an extended period in writing.

The Excess that applies to this additional benefit is:

- a) the Excess shown on the Schedule, or,
- b) \$500,

whichever is the higher.

### 2. Directors and employees personal property

We will pay for loss of or damage to directors and Employees' tools of trade and personal effects as if they were Contents.

Cover is limited to \$5,000 for any one Employee. Any amount We pay for this additional cover will be included in the Contents Sum Insured.

### 3. Fire brigade attendance fees

We will pay up to \$100,000 for any statutory charges payable by You to a fire brigade or fire-fighting authority for attendance at a fire or chemical emergency involving Property Insured and the cost of refilling Your fire-fighting appliances used in putting out a fire at or adjoining the Premises threatening the Property Insured. This additional benefit is in addition to Your Sum Insured. The Excess that applies to this Additional benefit is \$500.

### 4. Limited transit cover

We will cover You for loss of or damage to Stock or Contents which are in transit in or on any Vehicle anywhere in Australia away from Your Premises, including storage during the transit, but only for damage caused by any of the following:

- a) fire or explosion,
- b) wind,
- c) acts of malicious persons,
- d) by collision or overturning of the conveying Vehicle,
- e) escape of molten material from its intended confines at the Premises,
- f) lightning or thunderbolt,
- g) implosion,

- h) earthquake, tsunami, subterranean fire or volcanic eruption, or fire resulting from any of these during any period of 72 hours following the Event,
- i) riot, civil commotion or labour disturbances, or
- j) water damage.

We will not cover You for more than:

- a) \$50,000, or
- b) twenty percent (20%) of the Sum Insured.

for each Event, whichever is the lesser.

### 5. Prevention of imminent damage

We will cover You for the necessary costs that you incur in the Period of Cover:

- a) to extinguish a fire on or in the vicinity of Your Premises which causes or threatens loss or damage to your Property Insured,
- b) to prevent or diminish imminent damage to Your Property Insured,
- c) for temporary protection, including employment of security guards, to safeguard the Property Insured,
- d) to remove Property Insured from the Premises if the purpose of the removal was to prevent or minimise damage insured under this cover section. We will also cover under damage resulting from the removal.

We will not pay more than \$100,000 for all claims under this Additional Benefit during any one Period of Cover.

We will not pay under this additional benefit for:

- a) any fines, penalties or liability incurred by You,
- b) any loss or damage to Your Property Insured.

### 6. Temporary cover for New premises

We will cover You for loss or damage occurring during the Period of Cover to Buildings, Contents or Stock at any new premises, provided that:

- a) You first occupy the new premises during the Period of Cover,
- b) the Business carried on at or from the new premises is the same as the Business shown in the Schedule,
- c) the property at the new location is of the same nature as the Buildings, Contents and Stock located at the Premises and would have been covered if they were located at a Premises, and
- d) the Buildings at the new premises are constructed of the same materials as the buildings at any Premises and have the same or superior protection.

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We will not cover You for more than 50% of the total Sum Insured for any Premises shown on the Schedule.

We will not cover You under this Additional benefit for any loss or Damage at the new premises that occurs more than 60 days after You first occupy the new premises.

### 7. Temporary removal of Stock and Contents

We also cover Your Property Insured while temporarily removed to any other premises (including a temporary storage facility, self-storage unit or bulk storage facility) within the Commonwealth of Australia.

Provided that We will not cover :

- a) motor Vehicles or trailers, Watercraft, caravans or motorcycles unless they are:
  - i) Stock of the business, or
  - ii) forklift trucks or similar appliances that are normally used for hauling or lifting goods at Your Business Premises,
- b) Stock that is on consignment to other parties unless it is owned by You or is property for which You are responsible,
- c) Stock or Contents that have been removed from the Premises for a period greater than 90 days without Our prior written consent.

The maximum amount We will pay for this additional benefit will be 20% of the Sum Insured.

### 8. Trace and Access

We will pay the reasonable costs incurred to detect the point of bursting, leaking, discharging or overflowing of fixed apparatus, fixed tanks, fixed appliances, fixed pipes or other systems at the Premises used to hold or carry liquid provided that the bursting, leaking, discharging or overflowing has caused or may reasonably be expected to cause damage to Property Insured. We will not cover the repair or replacement of such apparatus, appliances, tanks, pipes or other systems.

### 9. Theft of external property

If You own but do not occupy a Building shown as insured under this cover section at a Premises, We will cover You for the theft in the Period of Cover of plant, plumbing or wiring services that are not part of that Building but which are securely attached (by means other than the connection to a power point) to the building structure.

We will not cover You for more than \$5,000 in the aggregate during the Period of Cover for all claims under this additional benefit.

### 10. Taxation audit costs

Where "Free Tax Audit cover applies" is shown on the Schedule, We will cover the reasonable and necessary costs You incur following notification received during the Period of Insurance of an audit or investigation by a federal or state Commissioner of Taxation relating to Your liability to pay income tax, fringe benefits tax, capital gains tax, wholesale and sales tax, payroll tax, goods and services tax or superannuation contributions tax in respect of your business up to \$10,000 for this additional benefit.

'Costs' means professional fees paid to accountants or registered tax agents who are not Your Employees, for work undertaken in connection with the audit or investigation.

#### Taxation audit costs – Exclusions

We shall not be liable under this additional benefit:

- a) for the imposition of any tax, fines, penalties, court costs, penalty tax or interest,
- b) for costs incurred after completion of the audit or investigation,
- c) where any proceedings were initiated, threatened or started prior to the commencement of the period of insurance,
- d) arising from your improper, unwarranted or unjustified refusal or failure to comply with any lawful request made by a state or federal Commissioner of Taxation for the production of documents or the supply of information. Refusal or failure to comply will not be deemed improper, unwarranted or unjustified if You refuse or fail to comply upon the advice of your accountant or tax agent,
- e) for costs from audits or investigations under customs legislation,
- f) for costs from audits or investigations of income received or earned, or where the source of income is outside Australia or where the services giving rise to the claim are performed by persons or entities who ordinarily reside outside Australia,
- g) arising out of any fraud or fraudulent act or omission committed by You or on Your behalf, or
- h) arising from audits or investigations which result in You, or any person acting on Your behalf, becoming aware of any error or deficiency in any return of income or other documentation supplied to a state or federal Commissioner of Taxation and failing to notify the Commissioner of Taxation without delay.

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### Taxation audit costs – Special conditions

You must lodge taxation and other returns within the time limits applicable to those returns as prescribed by statute or through extension of time granted by a Commissioner of Taxation.

You must make full and complete disclosure of all assessable income (including capital gains), as required by any relevant legislation.

In the event of a claim arising:

- You must at all times keep us fully and continually informed of all material developments in relation to the claim and in relation to any audit,
- You must take all necessary and reasonable steps to minimise any delays and the amount of any costs incurred or likely to be incurred in connection with any audit, and
- We or our duly appointed agent may make Our own investigation into any matter which is or may be the subject of a claim.

You must ensure that Your accountants, registered tax agent and/or solicitor cooperate with Us and where necessary, assist Us in relation to any claim and assist Us with any matter We wish to pursue with the Commissioner of Taxation which is or may be the subject of a claim.

### OPTIONAL EXTENSIONS

#### 1. Flood

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

#### 2. Strata title mortgagee(s) interest

This cover applies only if You have arranged this Policy to insure only the interest of a mortgagee in a strata title unit.

This cover only applies when You own part of a building that has been subdivided into strata, community or similar title units and You have a mortgage on that part of the building.

We will pay the mortgagee the lowest of:

- the sum insured shown on the Schedule,
- the amount to repair the damage to a condition similar to but no better than when new,
- 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
- 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:

- a claim would be payable under the Business Property Cover Section (and not subject to any exclusions or other limitation in the Policy),
- the insurance policy of the body corporate or similar does not apply or only partially covers the loss, and
- 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.

### POLICY SECTION EXCLUSIONS

- We will not cover You for loss or damage insurable under any other cover section or of this Policy. This exclusion does not apply to any loss or damage which would only be insurable under any other cover section because it fell within an Additional Benefit or Extra Cover in that cover section.
- We will not cover You for loss or damage caused by:
  - wear and tear, gradual deterioration, scratching, marring, developing flaws, normal upkeep or any gradual cause,
  - corrosion, rust, oxidation, any form of fungus, wet or dry rot, dampness of atmosphere, variation in temperature, evaporation, disease, shrinkage,
  - change in colour, flavour, texture or finish,
  - inherent vice or latent defect,
  - loss of weight or exposure to light,
  - creeping, heaving, normal settling, shrinkage, seepage, vibration, expansion in buildings, pavements, roads, car parks and the like,
  - any i) error or omission or wrong design; or ii) faulty materials or workmanship; provided that this Exclusion 2g) shall not apply to subsequent loss or damage to Your property insured (not otherwise excluded) resulting from an event referred to in this exclusion,
  - loading or unloading,
  - infidelity, dishonesty, embezzlement, misappropriation, or fraud including forgery, erasure, counterfeiting by you or any Employee,
  - erosion, subsidence, landslip or mudslide or any other earth movement but We will cover loss or damage caused by a landslide or subsidence that occurs within 72 hours of, and directly because of, a storm, earthquake subterranean fire, volcanic eruption or

## Business Property

- water escaping from a water main owned by a water supply authority, or
- demolition ordered by any lawful authority as a result of failure by You to comply with any lawful requirement,
- the action of the sea or high water, unless caused by or arising from a direct consequence of an earthquake or seismological disturbance,
- Flood,
- faults or defects known to You or any Employee whose knowledge in law would be deemed to be Your knowledge and not disclosed to Us at the time this insurance was arranged, extended, varied or renewed;
- the cessation of work (whether total or partial), interruption or retarding of any process or operation as a result of any industrial dispute,
- deliberate and unauthorised corruption, amendment or erasure of data by You or Your directors, partners, Employees, officers or any other person who has an interest in the property insured whether acting alone or in collusion with any other person,
- Computer Virus,
- the gaining of unauthorised access to Your computer via any communication system by any person other than You or Your directors, partners, Employees, officers or any other person who has an interest in the property,
- the operation or presence of any computer program that alters or erases data or programs in a manner that is undesired by You,
- the actual breaking, seizing, deformation or melting of any part of the property while it is in use that is caused by mechanical, electrical or electronic defect that results in sudden and total loss of operation that requires repair or replacement before the property can resume normal operation,
- explosion or implosion of any pressure vessels (including any boilers):
  - where the load on the safety valve upon the particular pressure equipment was in excess of the manufacturer's specification at the time of any damage, or
  - where any safety valve limiting pressure was removed or rendered inoperative.

Provided that We will pay for any damage to Property Insured that is not otherwise excluded that results

from damage caused directly by or arising directly from any of these causes.

- We will not cover loss of or damage to:
  - Property Insured while it is undergoing any process where damage results from it being processed,
  - any Building, Contents and Stock if the Building is vacant awaiting or undergoing demolition, unless We have agreed otherwise,
  - Animals, plants, or growing crops,
  - Glass or signs except where You are a tenant of a Building and are required by the lease to insure Glass, or
  - any tangible property where the loss or damage was caused during the course of its processing or manufacture.
- We will not cover loss or damage caused by or arising from:
  - theft other than physical damage to Property Insured at the Premises during theft or any attempted theft and/or theft of parts of the Building when buildings are insured,
  - any legal liability You have other than the legal liability that is covered by the extra cover 'Removal of Debris',
  - the incorrect siting of Buildings as a result of error in design or specification, faulty workmanship or non-compliance with the requirements of any lawful authority,
  - demolition ordered by any lawful authority as a result of failure by You to comply with any lawful requirement,
  - any unexplained inventory shortage or disappearance resulting from clerical or accounting errors, or shortage in the supply or delivery of materials or goods,
  - contamination, pollution, smoke or smut except where caused directly by fire, lightning, explosion, impact by any road vehicle or Animal, Aircraft or other aerial devices or articles dropped by them, falling communication masts, towers, antennae or dishes, falling buildings or structures or parts thereof, meteorite, riot, civil commotion, persons taking part in an industrial dispute, persons acting maliciously, earthquake, storm, the bursting, overflowing or discharge of tanks, apparatus or pipes containing in water or liquid of any kind, or sprinkler leakage, or
  - to or arising from registered motor Vehicles.

### LIMITATIONS WHICH APPLY TO THIS COVER SECTION

#### 1. Earthquake

If any loss is caused by earthquake, volcanic eruption, subterranean fire or tsunami, We will not pay for the first \$20,000 or 1% of the Sum Insured at the damaged Premises

## Business Property

(whichever is the lower amount) of each claim caused by earthquake, volcanic eruption, subterranean fire or tsunami.

### 2. Storm, Rainwater, Wind Hail or Snow

Cover for damage to textile blinds and awnings, shade cloth, shade houses, fibreglass and glass houses, gates, fences, signs and retaining walls caused by or arising from storm, rainwater wind, hail or snow is limited to maximum of \$25,000 in total for any one Event.

#### COVER SECTION CONDITIONS

##### 1. Leased building clause

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

##### 2. Release

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

##### 3. Storage premises

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

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

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

### 5. Underinsurance/average

In the event of Loss or Damage under this cover section:

for claims settled on a reinstatement replacement basis, We will not be liable for more than that proportion of damage which, in respect of Buildings, Contents, Stock and Specified Items the Sum Insured on the total amount for Buildings, Contents, Stock and specified items at the Premises, at the time of the commencement of each Period of Cover bears to eighty percent (80%) of the full insurable value of such Buildings, Contents, Stock and Specified Items.

Conditions:

- Our liability is limited to the Sum Insured at the Premises as shown in the Schedule.
- This clause will not apply if the amount of any damage does not exceed ten percent (10%) of the Sum Insured at the Premises.

Example:

Total value \$200,000

80% of value = \$160,000

Sum insured \$144,000

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

We would pay \$90,000.

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

#### DEFINITIONS

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

**“Catastrophe”** means a large scale destructive event, in the area in which the Premises is located, which either:

- the Insurance Council of Australia has declared to be an ‘insurance catastrophe event’, or
- as a consequence of the event, the relevant government authority has declared a state of emergency.

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

**“Specified Items”** means each item of property that is specifically described on the Schedule for this cover section.

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## Theft

#### ABOUT THIS COVER SECTION

This cover section covers the loss of Your Contents and Stock from theft, attempted theft, armed hold up or an actual or threatened assault. You are not covered for theft of Contents and Stock kept in the open air unless You have taken the optional cover ‘Theft of property insured in the open air.’

#### YOUR INSURANCE UNDER THIS COVER SECTION

Provided ‘Theft’ is shown under ‘What’s Covered’ in the Schedule, We will cover You for loss of or damage to Your Contents and Stock occurring during the Period of Cover at Your Premises caused by one or more of the following:

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

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

#### WHAT WE PAY

At our option We will:

- with respect to Stock:
  - pay You the market value of the Stock at the time of the loss or damage,
  - pay You the value of Obsolete Stock or its purchase price, whichever is the lesser, but no more than the original cost to You,
  - replace or repair the Stock with property or materials equal to or of similar standard and specification as the Stock before it was damaged,
  - pay the cost of repair or replacement of the Stock.
- with respect to Electronic Equipment or Contents:
  - repair or replace the Electronic Equipment or Contents,
  - pay the cost of repair or replacement of the Electronic Equipment or Contents.
- with respect to Specified Items:
  - pay the Sum Insured for a Specified Item.

For each specific Category or Categories, We will not pay more than the Sum Insured shown on the current Schedule

for this cover section, except to the extent stated under the headings ‘Extra Covers’ and ‘Additional Benefits’.

#### EXTRA COVERS

Subject to the exclusions and conditions in this cover section, if We agree to pay a claim under this cover section for loss or damage caused by theft, We will also pay or provide the Extra Covers set out below.

##### 1. Damage to business premises

We will cover You for the cost to repair Your Property Insured caused by theft or attempted theft. The maximum amount We will pay for this additional benefit is \$10,000. This limit is in addition to the Sum Insured.

##### 2. Damage to Rented premises

We will cover You for damage to the Premises that You occupy as a tenant if You are legally liable to pay in accordance with the terms of Your lease, provided such damage occurs as a result of theft or attempted theft of Your Property Insured occurring during the Period of Cover. The limit of Our liability under this additional benefit is \$10,000 or the amount shown in the Schedule. This limit is in addition to the Sum Insured.

##### 3. Seasonal increase of cover

All theft cover sums insured are increased by 50% for the Seasonal Increase Period.

##### 4. Temporary protection and security guards

We will pay the reasonable costs of necessary temporary protection and repairs and the employment of guards/watchmen by You to protect Property Insured following an occurrence covered by this cover section. The maximum amount We will pay for each occurrence is \$10,000.

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

#### ADDITIONAL BENEFITS

Subject to the exclusions and conditions in this cover section, We will also provide the following additional benefits in this cover section.

Unless stated to the contrary, any amounts payable under these additional benefits are included in the Sum Insured specified in the Schedule.



## Theft

### 1. Directors and employees tools of trade and personal effects

We will pay for loss of or damage to directors and employees tools of trade and personal effects caused by theft as if they were Contents.

We will not pay more than \$5,000 to any one person and \$10,000 overall in respect of any one claim. This sub-limit applies in addition to the Sum Insured.

### 2. Employee dishonesty

We will cover You for loss to Stock, Contents or Electronic Equipment as a direct result of dishonesty by any of Your Employees occurring during the Period of Cover, which is discovered within forty five days of its occurrence.

This Additional Benefit does not cover:

- any loss arising from the conduct of an Employee after You have knowledge of or information about any prior act of fraud or dishonesty by the Employee,
- any loss arising from the conduct of an Employee outside the Commonwealth of Australia,
- any loss where You are unable to identify which Employee is responsible,
- any loss or part of a loss arising from the conduct of an Employee, where the proof of the loss, either as to its occurrence or as to its amount, is dependent upon an inventory stock take or a profit and loss calculation,
- fraud or dishonesty committed by Your Family, or
- fraud or dishonesty committed by any of Your Employees committed with Your connivance.

We will not cover You for more than \$5,000 for any one occurrence. This sub-limit is in addition to the Sum Insured.

### 3. Funeral Expenses

If any person is injured while protecting or attempting to protect the property from theft and death results from that injury within twelve (12) months, We will pay \$10,000 to the estate of that person. This applies in addition to the Sum Insured. If You are also insured under the Money cover section, the benefits payable for death following assault shall not be cumulative and shall be limited to \$10,000 in the aggregate between those sections.

### 4. Illegal Use of Corporate Financial Transaction Card

If the Policy covers Contents and any corporate credit and/or debit card used by the Business is lost or stolen during the Period of Cover, We will pay any financial loss sustained by You arising from the illegal use of the card by an unauthorised person.

We will not pay:

- any financial loss arising from the misuse or illegal use of corporate credit cards by Your Employees or any other person acting in collusion with your Employee or by any member of your Family,
- more than \$5,000 in total for any one loss or event.

### 5. Illegal Electronic Funds Transfer

If the Policy covers Contents, following entry into the Premises arising from one of the events listed under the heading 'Your insurance under this cover section', We will pay any financial loss sustained by You during the Period of Insurance arising from the electronic transfer of funds from Your bank account to a bank account not controlled by You.

We will not pay:

- for any financial loss arising from the misuse or illegal use of corporate credit cards or financial transaction cards by any of Your Employees or any other person acting in collusion with any of Your Employees or by any member of Your Family,
- for any transfer of money via electronic funds transfer which was enabled by:
  - a key,
  - use of details of a combination, code or password, that are left in the Building outside Business Hours, or
- more than \$5,000 in total for any one event.

### 6. Replacement of Locks, keys and combinations

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

- replacing locks, keys, magnetic keys, cards or similar devices and combinations used in Your Business if:
  - keys, magnetic keys, cards or similar devices are stolen or accidentally lost,
  - the sequence of numbers or letters are accidentally lost or become known to any unauthorised person,
  - circumstances have allowed the unauthorised duplication of keys, magnetic keys or similar devices,
- opening safes and strongrooms because of the theft of or loss of keys or combinations during a theft,
- replacing and developing security film exposed because of theft or attempted theft,
- restoring the security system to its former functionality following a theft or attempted theft that is covered by this cover section.

We will not pay more than \$10,000 any one claim. This sub-limit applies in addition to the Sum Insured.

## Theft

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

### 7. Rewriting of Records

We will pay for the cost of additional clerical and professional costs incurred by You to rewrite Your necessary business records if they are lost, destroyed or damaged, whilst located at Your Business Premises or offsite anywhere in the Commonwealth of Australia, by an occurrence which You are covered for in the Theft cover section. We will not pay more than \$25,000 any one Period of Cover. This is in addition to the Sum Insured.

### 8. Temporary Cover for New Premises

We will cover You for loss of Stock or Contents at any new Premises which You first occupy during the Period of Cover provided that:

- this cover is limited to a period of 60 consecutive days from the day that You first use the new premises,
- this cover is not available to property that cannot be correctly designated to one of the Categories that are shown as insured in the Schedule,
- this cover is only available to Contents or Stock that is of a similar type to that insured by this cover section,
- for each specific Category of property shown in the Schedule this temporary cover is limited to 50% of the Sum Insured for that Category, or
- if more than one Premises is shown in the Schedule then this 50% limitation will apply to the lowest Sum Insured that applies to the specific category of property,
- the new premises have building and security features that are similar to those at one of the Premises shown in the Schedule having the same occupation,
- you provide Us with full details of the new premises within 60 days of You first using the new premises.

If We agree to cover Stock or Contents at the new premises beyond the 60 day consecutive period, You must pay the premium that We require.

### 9. Temporary removal

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

Provided that:

- We will not cover tobacco, tobacco products, cigars, cigarettes or alcoholic beverages,
- We will not cover Stock that is on consignment to other parties unless it is owned by You or is property for which

You are responsible,

- The maximum amount We will pay for this additional benefit will be 20% of the Sum Insured,
- This additional benefit will not apply to any property insured, which has been removed for a period greater than 90 days without Our prior written consent.

### 10. Theft of external property

We will cover You for loss or damage as a result of theft or any attempt at theft occurring during the Period of Cover to Electronic Equipment or Contents that are securely and permanently affixed (by means other than the connection to a power point) to the outside of the Building. We will not provide cover for more than:

- \$10,000, or
  - the Contents Sum Insured
- whichever is the lesser.

### 11. Theft without forcible and violent entry into or from Your Building

We will cover You for loss or damage occurring during the Period of Cover as a result of a theft without forcible and violent entry to or exit from the Building. The amount We will pay is limited to:

- \$10,000 (or the amount shown in the current Schedule whichever is the higher) for any one occurrence, for theft or attempted theft of Property Insured other than
  - Electronic Equipment,
  - Stock, or
  - Customers' Goods,
- \$20,000 (or the amount shown in the current Schedule whichever is the higher) for any one occurrence) for any one occurrence, by theft or attempted theft of Your Electronic Equipment which is not Stock. We will not cover You if the theft or attempted theft is from any open-sided structure such as, but not limited to verandas or yards or other open spaces even if they are partially or fully enclosed or from the open air.

This additional benefit does not cover loss as a result of unexplained disappearance, unexplained or inventory shortage, clerical or accounting errors or shortage in supply or delivery to or from the Business Premises.

### OPTIONAL EXTENSION

We will provide the following optional insurance when requested by You, when You pay any additional Premium required and when shown on Your Schedule as applying.

Any amount payable under these optional insurances are in

# Theft

addition to the Sum Insured.

## Theft of Property Insured in the open air

We will cover You for theft without forcible and violent entry of Property Insured in the open air but within the boundaries of the Premises or contained in an unlocked building, up to the amount shown in the current Schedule.

We will not cover You for the theft of Property in the open air unless the premises after hours are fully enclosed by a locked cyclone fence with padlocks with a security rating under AS 4145.4 (or any subsequent amendment) of 6 or above.

### COVER SECTION EXCLUSIONS

- We will not pay under the Theft cover section for loss of or damage to:
  - Money and negotiable instruments in Excess of \$500,
  - jewellery, furs, bullion, property made of gold or silver or precious stones exceeding \$10,000 any one loss and \$2,000 any one item unless they are Stock,
  - motor Vehicles unless they are Stock or fork lift trucks and similar appliances that are used for hauling or conveying goods at the Premises,
  - Glass unless it is Stock,
  - property not contained in a locked building, unless insured under Additional benefits 'Theft of External Property' and 'Theft of property in the open air'.
- We will not pay under the Theft cover section for loss of or damage to property caused by:
  - any person lawfully on Your Business Premises,
  - any person who does not steal or intend to steal property.
- We will not pay under the Theft cover section for loss of or damage to property caused by or in any way contributed to by dishonest acts by You, Your directors, partners, employees or any members of Your Family, other than by an employee following forcible and violent entry.
- Loss from a safe, strongroom or security enclosure opened by a key or by the use of details of a combination, either of which has been left on Your Business Premises while closed for business, is not covered for more than the sum insured on Property Insured anywhere on the premises outside Business Hours.
- We will not pay under the Theft cover section for unexplained disappearances or unexplained shortages, whether resulting from clerical or accounting errors or shortages in supply or delivery of materials to or by You.
- We will not pay for any legal liability You incur.

### COVER SECTION CONDITIONS

These conditions apply to this cover section.

#### 1. Monitored burglar alarms

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

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

#### 2. Valuables

You must ensure that all Stock that is precious stones, gold and silver articles, jewellery, watches trinkets, stamps, coins and personal ornaments, which are individually of the value of \$500 or more are contained in a securely locked safe or strongroom during any period outside Your usual business hours.

#### 3. Reinstatement

If We pay an amount for a claim under this cover section We will automatically reinstate the Sum Insured to the amount shown on the Schedule. You will not pay to pay any additional Premium.

### DEFINITIONS

The following words have the following meanings for this cover section only.

**"Category" or "Categories"** means the category into which property can be designated from the following:

- All Contents including Stock,
- All Contents excluding Stock,
- Stock excluding cigarettes, cigars and tobacco,
- cigarettes, cigars and tobacco,
- alcohol,
- specified items listed in the Schedule.

**"Cigarettes, cigars and tobacco"** means cigarettes, cigars and tobacco used or stocked by You in the Business.

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

Electronic Equipment does not include electronic equipment that is Stock.

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# Glass

### ABOUT THIS COVER SECTION

This cover section covers breakage of Glass at the Premises.

### YOUR INSURANCE UNDER THIS COVER SECTION

Provided 'Glass' is shown under 'What's covered' in the Schedule, We will insure You for Breakage of Glass which You own or for which You are legally responsible, occurring during the Period of Cover at the Premises.

### WHAT WE PAY

We will at Our option either pay the cost to repair or replace broken Glass with Glass of similar or higher quality to comply with the requirements of The Standards Association of Australia, any statute or regulation including the reasonable costs of out-of-hours services by repairers, express delivery and overtime charges to repair or replace broken Glass.

### Excess

The Excess that applies is shown in the Schedule.

### EXTRA COVERS

If We agree to pay a claim under this cover section for loss or damage to Glass, We will also pay or provide the extra covers set out below.

Any sub-limit amounts payable under these extra covers apply in addition to the Sum Insured.

#### 1. Costs

We will pay for the following costs provided they are reasonably incurred by You and are directly related to breakage of the Glass covered under this Policy:

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

Our liability under this additional benefit during any one Period of Cover is limited to \$8,000.

Following a claim under Extra Cover 1 – Costs We will return the limit to the full \$8,000 provided that You pay or agree to pay an additional Premium.

#### 2. Destruction of Stock or contents

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

Our liability under this extra cover during any one Period of Cover is limited to the lesser of:

- the value at cost, of the Stock or Contents destroyed or damaged, less any amount realised from the sale or salvage or,
- the sum of \$8,000.

### ADDITIONAL BENEFITS

We will also provide the following additional benefit in this cover section.

#### 1. Malicious damage

We will pay for the cost of replacement of External Glass which has suffered malicious damage. This additional benefit is payable even where there is no Breakage of External Glass.

#### 2. Signs

We will cover You for loss of or damage to Signs at the Premises if they are damaged during the Period of Cover.

This additional benefit is subject to a sub-limit of liability of \$8,000 or any higher sub-limit stated in the current Schedule for 'Signs'. The admissibility of claims for damage to Signs shall not be contingent upon other damage to Glass.

### COVER SECTION EXCLUSIONS

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

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

## Glass

### DEFINITIONS

“**Breakage**” means:

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

“**External Glass**” means glass, or plastic material used as glass fixed in external windows, doors, showcases or skylights forming part of the premises.

- a) glass, or plastic material used as glass in internal partitions, windows and doors, glass in counters, glass forming shelves and/or stock restraints, interior showcases, fixed mirrors and other fixed internal glass including ceramic vitreous china urinals, toilet pans and hand basins, and
- b) frames of showcases, display cabinets and counters containing the broken Glass.

“**Glass**” means ‘Internal Glass’, ‘External Glass’ and ‘Specified Glass’.

“**Internal Glass**” means:

- a) all Internal Glass, sinks, wash basins and sanitary ware and mirrors (other than hand mirrors) whilst in the Premises, and
- b) showcase frames, display cabinets and counter frames.

“**Sign**” means Glass or plastic that forms part of a sign.

“**Specified Glass**” means Glass specifically designated in the Schedule under Specified Glass.

## Machinery and Electronic Equipment Breakdown

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### ABOUT THIS COVER SECTION

This cover section covers the Breakdown of Machinery or Electronic Equipment at Your Premises.

### YOUR INSURANCE UNDER THIS COVER SECTION

There are two covers available in this cover section.

- Machinery Breakdown,
- Electronic Equipment Breakdown.

Your Schedule indicates which cover(s) have been selected by You.

### MACHINERY BREAKDOWN COVER

If Machinery is shown as taken in the Schedule and subject to the General Exclusions, We will cover You for:

- a) Breakdown of Machinery which occurs at the Premises, and
- b) direct loss or damage to other Property Insured as a result of that Breakdown provided that the Breakdown occurs during the Period of Cover.

### ELECTRONIC EQUIPMENT COVER

If Electronic Equipment is shown as taken in the Schedule and subject to the General Exclusions, We will cover You for:

- a) Breakdown of Electronic Equipment which occurs at the Premises; and direct loss or damage to other Property Insured as a result of that Breakdown,
- b) provided that the Breakdown occurs during the Period of Cover.

### WHAT WE PAY

#### Machinery Breakdown

If We agree to pay a claim for Breakdown of Machinery, We will at Our option repair, rebuild or replace any Damaged item or pay for the cost of repairing, rebuilding or replacing. If We decide to replace the Damaged item, We will replace the Damaged property with similar property of a like kind, capacity, size, quality and function.

If We agree that You can carry out the repairs at the Premises or at a workshop owned by You, We will pay the actual costs of materials and wages incurred plus a reasonable overhead mark-up, provided that a qualified person carries out the repairs.

If it is necessary to replace parts that are unavailable, We will not pay more than the estimated cost of similar parts

currently available. If similar parts are unavailable, We will not pay more than the manufacturers, or suppliers, latest list price. We will not pay any cost of repairing or replacing any part or parts of a piece of Machinery, which is greater than the cost of repairing or replacing the entire piece of such Machinery.

If the work of repairing, rebuilding or replacing the item is not commenced and carried out within a reasonable time period after the Breakdown, We will not be liable to pay more than the cost necessary to repair, rebuild or replace the item at the time the Breakdown occurred.

Where the Breakdown is confined to a part of a machine or structure, We will not pay more than the cost of repairing or replacing that part plus the cost of dismantling and erecting the structure.

The maximum We will pay at Our option in the event of Breakdown:

1. when ‘Blanket Plant and Machinery’ is listed on the Schedule and there are plant and machinery specified under ‘Machinery Type’, is the ‘Limit any one loss’ Sum Insured specified on the Schedule less the applicable Excess shown in the Schedule and for Specified Items also falling under the Blanket Plant and Machinery cover, the Sum Insured specified on the Schedule for such Specified Items less the applicable Excess,
2. when ‘Blanket Plant and Machinery’ is listed on the Schedule and the Schedule specifies:
  - “All plant and machinery”, is the Sum Insured specified on the Schedule less the applicable Excess shown in the Schedule,
3. when “All” for “No. Of Units”, is the ‘Limit any one loss’ Sum Insured specified on the Schedule less the applicable Excess and for Specified Items also falling under the Blanket Plant and Machinery cover, the Sum Insured specified on the Schedule for such Specified Items less the applicable Excess shown in the Schedule.

We will also pay the reasonable cost of repair or replacement necessary to return the Machinery to its former state of operation including:

- a) the cost of dismantling, re-erection, cleaning up and removal of debris,
- b) replacement of refrigerant or lubricating or insulating oil lost from Machinery as a direct result of the Breakdown,
- c) associated charges for overtime work on public holidays where necessarily and reasonably incurred,
- d) associated freight costs within the Commonwealth of Australia by any recognised scheduled service,
- e) associated overseas air freight costs by any recognised scheduled service and/or overseas labour,

## Machinery and Electronic Equipment Breakdown

- f) the cost of temporary repairs and/or hire of a temporary replacement item during the time taken to repair damage to any Machinery covered under this cover section, and
- g) any customs duties and dues incurred in connection with paragraph e).

Provided that the total of all of the extra costs in clauses c), d), e) and f) are limited to 50% of the normal cost of repair payable under this cover section.

Where You incur extra expense, in complying with the requirements of any Act of Parliament or Regulation or any By-Law or Regulation of any Municipal or other Statutory Authority, in the course of effecting the repair or replacement of the Machinery, We will indemnify You for such extra expense, provided that the amount so recoverable shall not include the additional cost in complying with any such Act, Regulation, By-law or requirement with which You had been required to comply with prior to the Breakdown.

All Machinery which can be repaired must be repaired. However should the item be uneconomical to repair due solely to the nature of the Breakdown, settlement will be as follows:

- a) the cost of replacement of the Machinery by an item of similar function, type, capacity and quality in a condition equal to, but not better than, the condition of the Machinery or when new, or
- b) the Sum Insured for the Machinery to the extent that this is specified in the Schedule.

We shall not be required to replace the Machinery exactly, but only as circumstances permit.

Where component's 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.

### Electronic Equipment Breakdown

If We agree to pay a claim for Breakdown, of Electronic Equipment We will at Our option repair, rebuild or replace any Damaged item or pay for the cost of repairing, rebuilding or replacing. If We decide to replace the Damaged item, We will replace the Damaged property with similar property of a like kind, capacity, size, quality and function.

If We agree that You can carry out the repairs at the premises or at a workshop owned by You, We will pay the actual costs of materials and wages incurred plus a reasonable overhead mark-up, provided that a qualified person carries out the repairs.

If it is necessary to replace parts that are unavailable, We will not pay more than the estimated cost of similar parts currently available. If similar parts are unavailable, We will not pay more than the manufacturer's, or supplier's, latest list

price. We will not pay any cost of repairing or replacing any part or parts of a piece of Electronic Equipment which is greater than the cost of repairing or replacing the entire piece of such Electronic Equipment.

If the work of repairing, rebuilding or replacing the item is not commenced and carried out within a reasonable time period after the Breakdown, We will not be liable to pay more than the cost necessary to repair, rebuild or replace the item at the time the Breakdown occurred.

Where the Breakdown is confined to a component or part of a machine or structure, We will not pay more than the cost of repairing or replacing that component or part plus the cost of dismantling and erecting the structure.

The maximum We will pay if:

- 'Electronic Equipment' is shown on Your Schedule and individual insured items are specified, is the 'Insured Item' Sum Insured for each item as shown on the Schedule less the applicable Excess shown in the Schedule, or
- "All Electronic Equipment" is shown on your Schedule, is the 'Sum Insured' Sum Insured as shown in the Schedule less the applicable Excess shown in the Schedule.
- In the event of Breakdown We will at Our option pay to You, up to the Sum Insured less the applicable Excess, the reasonable cost of repair or replacement necessary to return the Electronic Equipment to its former state of operation including:
  - cost of dismantling, re-erection, cleaning up and removal of debris,
  - replacement of refrigerant or lubricating or insulating oil lost from Electronic Equipment as a direct result of Breakdown,
  - changes for overtime work on public holidays where necessarily and reasonably incurred,
  - freight within the Commonwealth of Australia by any recognised scheduled service,
  - overseas air freight by any recognised scheduled service and/or overseas labour,
  - the cost of temporary repairs and/or hire of a temporary replacement item during the time taken to repair damage to any Property Insured, and
  - any customs duties and dues.

Provided that the total of all of these extra costs in clauses c), d), e) and f) are limited to 50% of the normal cost of repair payable under this cover section .

Where You incur extra expense, in complying with the requirements of any Act of Parliament or Regulation or any By-Law or Regulation of any Municipal or other Statutory Authority, in the course of effecting the repair or replacement

## Machinery and Electronic Equipment Breakdown

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of the Electronic Equipment, We will indemnify You for such extra expense.

Provided that the amount so recoverable hereunder shall not include the additional cost in complying with any such Act, Regulation, By-law or requirement with which You had been required to comply with prior to the Breakdown.

All Electronic Equipment which can be repaired must be repaired. However should the item be uneconomical to repair due solely to the nature of the Breakdown, settlement will be as follows:

- a) the cost of replacement of the Electronic Equipment by an item of similar function, type, capacity and quality in a condition equal to, but not better than, the condition of the Electronic Equipment when new, or
- b) the Sum Insured for the Electronic Equipment to the extent it is specified in the Schedule.

We shall not be required to replace the Electronic Equipment exactly, but only as circumstances permit.

Where component's 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.

### Depreciation applied for replacement of computers

If We decide to pay You the cost to replace a laptop computer, notebook or desktop computer rather than repair it, We will apply depreciation based on the age of the computer, but not as a result of improvements in technology or functionality.

We will apply depreciation at the rate of 10% per annum for each year from the date of manufacture, subject to a maximum reduction of 80% of the installed current replacement cost.

### Excess

You must pay the amount of any Excess shown in the Schedule for each claim You make.

### EXTRA COVERS

If We agree to pay a claim under this cover section for breakdown of Machinery or Electronic Equipment, We will also pay or provide the extra covers set out below.

Any amounts payable under these extra covers apply in addition to the Sum Insured.

#### 1. Hazardous substances

If a Hazardous Substance is involved in or released by a Breakdown of the Machinery or Electronic Equipment which is covered by this cover section, We cover You for the increase

in cost to repair, replace, clean up or dispose of, damaged Property Insured.

We will not pay more than \$25,000 for each claim under this extra cover.

#### 2. Inflation Protection

The Sum Insured on specified items of Machinery or Electronic Equipment shall at the time of loss be increased according to the consumer price index by the proportion which the number of days since the commencement of the Period of Cover shall bear to the whole of such period. [This Extra Cover does not apply when "All plant and Machinery" or "All" for "No. of units" is specified under Blanket Plant and Machinery.]

#### 3. Repair costs

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

### ADDITIONAL BENEFITS

#### 1. Additional Items

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

Provided that:

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

## Machinery and Electronic Equipment Breakdown

### 2. Electronic Equipment away from the Premises

If You have cover on the Electronic Equipment basis, that cover is extended to:

- a) Breakdown occurring during the Period of Cover to laptop computers, notebooks, or mobile electronic equipment away from the Premises,
- b) Breakdown of Your laptop Computer Equipment or mobile Electronic Equipment anywhere in Australia provided the laptop Computer Equipment or Electronic Equipment is specified in the Schedule under the General Property Section.

### 3. Restoration of Computer Data

We will insure You for the costs of restoring Data stored on Media lost or distorted as a result of loss of or damage to Computer Equipment if:

- a) We have agreed to pay a claim under the Electronic Equipment section for repair or replacement of the Computer Equipment as a result of a Breakdown,
- b) the Data is lost or distorted during the Period of Cover as a direct result of the Breakdown covered under this cover section,
- c) the Media which contains the Data is at the Premises, is at a location away from the Premises where copies of Media are stored, is temporarily at an alternative location for processing purposes or is in transit between any of these locations.

We will not cover You for:

- a) Loss or distortion of Data due to defects in the Media.
- b) Any Consequential Loss.
- c) Restoration of Electronic Data other than that which is lost or distorted after the most recent functional back-up.
- d) Expenses or costs incurred in connection with the loss or distortion of Data if they are not incurred within 12 months of the Breakdown.
- e) Loss or damage of, or distortion to, Data caused by a Computer Virus.
- f) Loss or damage of, or distortion to, Data caused by or resulting from the partial or total failure, malfunction or loss of use of any electronic equipment, computer system, information repository, microchip, integrated circuit or other similar device due to:
  - i) the erasure, destruction, corruption, misappropriation or misinterpretation of Data,
  - ii) any error in creating, amending, entering, deleting or using Data,
  - iii) the inability to receive, transmit or use Data; or

- iv) the functioning or malfunctioning of the internet, intranet, local area networks, virtual private networks or similar facility, or of any internet address, website or similar facility.

If We agree to pay a claim, We will pay the costs incurred in restoring the lost or distorted Data in a condition equivalent to that existing prior to the Breakdown. Data may be reproduced in an updated form if the cost of doing so is no greater than that of reinstatement in its original form.

#### Limits to what we pay

We will not pay more than \$15,000, or the amount shown in the Schedule for each claim under this additional benefit.

### 4. Computers – Increased costs

We will insure You for the increased costs of operating your Business, including hiring computers, transport costs, additional personnel and working at an off-site back up facility if:

- a) We have agreed to pay a claim under the Electronic Equipment section for repair or replacement of Computer Equipment as a result of a Breakdown,
- b) the increased costs of working occur during the Period of Cover and are a direct result of the Breakdown covered under the Electronic Equipment section, and
- c) We agree in advance to pay the increased costs of working.

We will not cover you for:

- a) Costs incurred in respect of the first 2 working days (or the number of days shown in the Schedule) following the Breakdown of your Computer Equipment.
- b) Fines or liability incurred for breach of contract or for late or incomplete orders or for any loss of bonus or any kind of penalties.
- c) Any increased costs that are not necessary and reasonable to minimise any interruption to the Media.
- d) Any Consequential Loss.
- e) Costs incurred after 90 days (or the number of months shown in the Schedule from the date of loss or damage or Breakdown).
- f) Expenses that are incurred in the replacement of the Media.
- g) The cost of reinstating the Data contained on the Media.

If We agree to pay a claim, We will pay the actual amount of the increased costs of working, less the charges and expenses of the Business that cease or are reduced as a consequence of the loss or damage.

We will not pay more than \$15,000 (or the amount shown in the Schedule) for each claim under this additional benefit.

## Machinery and Electronic Equipment Breakdown

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### COVER SECTION EXCLUSIONS

We will not cover You for:

1. The cost of repair or replacement of Expendable Items other than expendable items which are necessary for the repair.
2. The costs incurred in repairing wear and tear or gradual deterioration including:
  - wear and tear due to normal operation,
  - wearing or wasting away of material caused by normal operation or resulting from atmospheric conditions, rust, erosion, or oxidation,
  - damage to a safety or protective device caused by its own operation,
  - the chipping or scratching of painted or polished surfaces, or
  - slowly developing deformation or distortion.
3. The cost of:
  - carrying out of normal maintenance, such as the tightening of loose parts, recalibration or adjustments,
  - alteration, additions, improvements or overhauls whether carried out in the course of indemnifiable repairs or at a separate operation,
  - modification or alteration of insured plant to enable replacement or repair, caused by gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation),
  - replacement of lighting equipment, reticulated electrical wiring, reticulated liquid and gas piping and ducting,
  - repair of scratches chipping or discolouration to painted or polished surfaces, unless resulting from Insured Damage,
  - repair of a slowly developing deformation, distortion or fatigue of any part,
  - repair of blisters, laminations, flaws or grooving even when accompanied by leakage,
  - repairs to valves, fittings, glands, joints, gaskets, pipes, lines and connections which are defective or leaking,
  - repairs to shaft keys requiring tightening, fitting or renewal,
  - damage caused by the movement of foundations, masonry or brick work unless this results from Breakdown of any Machinery or Electronic Equipment or any part of Machinery or Electronic Equipment, or
  - removal or installation of underground pumps and well casings. Unless specifically noted on the Schedule, this exclusion does not apply to submersible pumps.
4. Breakdown of Machinery or Electronic Equipment which You knew or reasonably should have known to be defective before the Breakdown occurred.
5. Loss of use or Consequential Loss of any kind.
6. We will not cover loss or damage caused by or arising out of:
  - earthquake, landslide, mud flow, subsidence, subterranean fire, or volcanic eruption,
  - cyclone, storm, hail, lightning, thunder, wind, rainwater,
  - Flood,
  - the sea, including tidal wave, tsunami, storm surge or high-water,
  - fire, smoke or soot,
  - water seeping or percolating the building from outside,
  - water, liquids or substances discharged or other means used to extinguish a fire,
  - vandalism or malicious damage, or
  - asbestos.
7. Breakdown, loss or damage caused by explosion, other than:
  - a) the sudden and violent rending of any Boilers and Pressure Plant or Pressure Pipe Systems by force of internal fluid pressure of ignited flue gases, but excluding other chemical action, or
  - b) the bursting or disruption of turbines, compressors, engine cylinders, hydraulic cylinders, flywheels or other parts subject to centrifugal force, transformers, switches or oil immersed switch gear.
8. Breakdown, loss or damage caused during the course of maintenance, inspection, repair, alteration, modification or overhaul.
9. Breakdown, loss or damage caused during installation, erection or relocation.
10. Damage to foundations, brickwork, and refractory materials other than as a result of Breakdown.
11. Breakdown, loss or damage arising out of plant being subjected to tests involving abnormal stresses or arising out of plant being deliberately overloaded. The checking of the correct working of any insured item or of its safety installations is not considered to be testing or overloading within the context of this exclusion.
12. Breakdown, loss or damage caused by a deliberate act, neglect or omission on Your part.

## Machinery and Electronic Equipment Breakdown

13. Breakdown, loss or damage for which the manufacturer or supplier or other parties are responsible under a maintenance or warranty agreement provided that we shall be liable for Breakdown insured by this section and not recoverable under such maintenance agreement or warranty by reason of a specific exclusion contained therein or by reason of any dispute concerning the interpretation of that agreement or warranty (as the case may be).
14. The cost of alterations, improvements or overhauls unless it is required for the repair or replacement.
15. The costs associated with modifying the Machinery so that it operates with a more ozone friendly refrigerant gas as required by the United Nations Environment Programme ("UNEP").
16. Breakdown, loss or damage as a result of dual lifting.
17. Breakdown of Machinery or Electronic Equipment which is useless or obsolete to your Business.
18. Loss or Damage caused by or arising out of pollution, contamination or a Hazardous Substance, however caused, except as provided for in extra cover 1.

### COVER SECTION CONDITIONS

#### 1. Adherence to statutory requirements

If Machinery or Electronic Equipment must be licensed under statutory obligations, by-laws, regulations, public authority requirements or safety requirements, You must obtain any licenses as required and use the Machinery or Electronic Equipment as specified in the license.

#### 2. Inspection

We or Our authorised representatives have the right to make inspections of Machinery or Electronic Equipment at any reasonable time. Neither this right to make inspections nor making them is an undertaking to You or others that the Machinery or Electronic Equipment is safe and not hazardous or injurious to health.

#### 3. Obligation to prevent loss

If We or Our authorised representative discover Machinery or Electronic Equipment in or exposed to a dangerous condition, You must comply with any direction provided by Us or Our representatives to prevent loss. If You do not comply within 30 days of receiving the direction, We may refuse to pay a claim and cancel Your Policy.

#### 4. One Breakdown

If either:

- a) a Breakdown of Machinery or Electronic Equipment causes the Breakdown of other Insured Property, or
- b) a series of Breakdowns occur at the same time as a result of the same cause,

they will all be considered as one breakdown for the purpose of applying the Excess, the relevant Sum Insured and any other limit or sub-limit in this cover section.

### OPTIONAL EXTENSION

The following extension will apply when You have requested its inclusion in this cover section and the Schedule has been endorsed by Us noting the inclusion.

#### 1. Deterioration of Stock

Provided "Deterioration of Stock" is shown in the Schedule We will cover You for loss of refrigerated Stock that spoils during the Period of Cover due to a change in temperature of the refrigeration or freezer unit as a result of:

- a) a Breakdown of the refrigeration or freezer unit in which the refrigerated Stock is kept where We have agreed to pay a claim for the Breakdown of such Machinery,
- b) operation of or failure to operate controls or protective devices within the refrigeration machinery, but not including loss or damage due to the manual operation or setting of switches,
- c) contamination of the refrigerated Stock by leakage of refrigerant,
- d) sudden and unforeseen failure of the public power supply,
- e) accidental failure of supply services which directly affects the refrigeration or freezer unit,
- f) a supply authority intentionally interfering with a public service but only to the extent that this is necessary to safeguard life or any part of the public supply and the supply authority's interference is not caused directly or indirectly by fire, flood, storm or any other natural cause, or
- g) sudden leakage of refrigerant from the Machinery or Pressure Pipe Systems.

### LOSS MINIMISATION

If deterioration occurs or is likely to occur to such stock by any of the above causes, We will pay any reasonable expenses incurred by You to prevent or minimise the loss of refrigerated Stock.

## Machinery and Electronic Equipment Breakdown

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### WHAT WE PAY

If We agree to pay for a claim for deterioration of refrigerated Stock, We will at Our option, pay the cost of replacing the refrigerated Stock or replace that Stock.

We are not liable to pay more than the purchase price You paid for the refrigerated Stock, together with any handling costs You incurred. If deterioration occurs or is likely to occur to refrigerated Stock by any of the events specified in paragraphs a) to g) above, We will also pay the reasonable costs incurred by You to prevent or minimise the Loss of or Damage to Stock.

During the Seasonal Increase Periods We will increase the Sum Insured shown in the Schedule by 50%.

We will not pay more than the Sum Insured.

### Option Exclusions

In addition to the exclusions for this cover section, We will not pay for:

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

### COVER SECTION EXTENSION CONDITIONS

In respect of Stock that is kept in cold storage under Controlled Atmospheric Conditions, You must keep adequate records, for each chamber, of the temperature, humidity and gas concentrations, as well as the time(s) and date(s) when each chamber is opened. You must provide us with those records to Us upon Our request.

### DEFINITIONS

These Definitions apply to this cover section.

**"Boilers"** means those parts of the permanent structure of the Machinery owned by You or for which You are legally responsible which are subject to internal steam gas or fluid pressure (other than atmospheric pressure) including:

- a) fittings and direct attachments which are connected to the permanent structure without intervening valve or cock,
- b) Supporting structures of the Machinery described above (other than foundations, masonry or brickwork) such as furnace doors, access doors, external combustion chambers smoke boxes and casings, and
- c) Metal parts of pressure and water gauges and their connections to the permanent structure.

**"Breakdown"** means a sudden and accidental failure of Machinery or Electronic Equipment resulting in physical damage to the equipment which requires the repair or replacement of the equipment or a part of the equipment before it can continue operating normally.

**"Breakdown"** does not mean:

- a) depletion, deterioration, corrosion or erosion of material,
- b) wear and tear,
- c) vibration or misalignment,
- d) the functioning of any safety device or protective device, or
- e) the failure of a structure or foundation supporting the equipment or a part of the equipment.

**"Computer equipment"** means electronic data processing equipment comprising a central processing unit with flexible programming ability, video display units, printers, hard disks, floppy disk drives, micro diskettes including read and write heads, electro or mechanical motors and passive components but does not include software.

**"Controlled atmospheric conditions"** means an atmosphere in which oxygen, carbon dioxide and nitrogen concentrations as well as temperature and humidity are regulated.

**"Electronic Equipment"** (as referred to under Electronic Equipment cover) means

- a) If 'Electronic Equipment' is shown on Your Schedule, any of the Electronic Equipment specified as "Insured Items", provided it is owned, leased, operated or controlled by You and used in Your Business,

## Machinery and Electronic Equipment Breakdown

- b) If 'All Electronic Equipment' is shown on Your Schedule, all of Your Electronic Equipment provided it is owned, leased, operated or controlled by You and used in Your Business.

### "Expendable Items" means

- a) Electrical and electronic glass bulbs, tubes, x-ray tubes, contacts, fuses and heating elements,
- b) tracks, rails, wear plates, cutting edges, tools, dies, engraved cylinders, moulds, patterns, shear pins, filters, chains, belts, tyres, tracks or conveyor belts and any other part or parts which require periodic replacement.

### "Hazardous substance" means

- a) any pollutant, contaminant or other substance declared by a government authority to be hazardous to health or the environment, or
- b) any mould, yeast, fungus or mildew including any spores or toxins created or produced by or emanating from such mould, yeast, Fungus or mildew, whether or not allergic, pathogenic or toxigenic.

### "Machinery" means

- a) If 'Blanket Machinery Details' is shown on Your Schedule, any of the plant and machinery specified under 'Machinery Type' and / or 'Specified Item' in the Schedule provided it is owned, leased, operated or controlled by You and used in Your Business,
- b) If "Blanket Machinery Details" is shown on Your Schedule and the Schedule specifies either:
- "All" for "No. Of Units", or
  - "All plant and machinery".

any of the following equipment provided it is owned, leased, operated or controlled by You and used in Your Business:

- a) any boiler, fired or unfired pressure vessel normally subject to vacuum or internal pressure (other than static pressure of contents), any refrigerating or air conditioning vessels and piping or any other piping and its accessory equipment, but not including:
- any boiler foundation, any refractory or insulating material,
  - any part of a boiler or fired pressure vessel that does not contain steam or water, or

- any buried piping, any drainage piping, any sprinkler piping and its accessory equipment,
- air conditioning systems unless they are specified in the Schedule as covered.

- b) any mechanical or electrical equipment that generates, transmits or utilises mechanical or electrical power, but not including:
- any vehicle, or mobile equipment,
  - any watercraft or aircraft, or
  - any elevator or escalator.
- c) If individual items of plant or machinery are specified in the Schedule, such plant and machinery as specified provided it is owned, leased, operated or controlled by You and used in Your Business.

**"Pressure Pipe Systems"** means In respect of Boilers and Pressure plant any pressure pipe systems with valves, fittings, traps and separators which contain steam condensate, gas or fluids under pressure (other than atmospheric pressure) and which is generated in whole or in part within the Machinery specified in the Schedule, including any feed water piping between such boiler and its feed pump or injector, but not including any such pipe systems which form part of any other vessel or apparatus.

In respect of refrigeration and air-conditioning machinery specified in the Schedule Pressure Pipe Systems include the interconnecting coils and pipework containing transfer media.

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## Money

### ABOUT THIS COVER SECTION

This cover section covers the loss of or damage to Your Business's Money from a wide variety of causes such as theft, armed hold up or fire. The money may be in transit or at Your premises.

### YOUR INSURANCE UNDER THIS POLICY SECTION

Provided 'Money' is shown under 'What's Covered' in the Schedule, We will cover You for loss of or damage to Money which occurs during the Period of Cover as a result of the Defined Events described below and shown on the current Policy Schedule.

- Money in transit.
- Money in the Building during Business Hours.
- Money in the Building outside Business Hours.
- Money in the Building any time while in a locked Safe or Strongroom.
- Money in custody.
- Money in:
  - Your home, or
  - in the home of a person authorised by You when it has been taken home for safe keeping from Your Business Premises or the place of collection until the time Your Financial Service Provider ceases trading on its next full trading day.

### WHAT WE PAY

We will pay You the amount of any Money that is lost or damaged.

If You have selected one insured amount, cover is provided in all of the circumstances described above, as if all of the defined events were shown in the Schedule. The maximum amount We will pay is the insured amount shown on the Schedule.

If you have selected a different Sum Insured for each of the defined events listed above, the maximum amount We will pay, in respect of:

- Money in Transit at the time of the loss or damage is the Money in Transit Sum Insured,
- Money in the Building during Business Hours at the time of the loss or damage is the Money in the Building during Business Hours Sum Insured,
- Money in the Building outside Business Hours at the time of the loss or damage is the Money in the Building outside Business Hours Sum Insured,

- Money in the Building in securely locked Safe or Strongroom at the time of the loss or damage is the Money in the Building in securely locked Safe or Strongroom Sum Insured, or
- Money in custody at the time of the loss or damage is the Money in Custody Sum Insured.

If We agree to pay a claim for loss of or damage to Money (other than certificates of stock, bonds, coupons, and all other types of securities or travellers cheques) We will pay the amount of Money lost or damaged.

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

- if the securities can with Our approval be replaced, the cost of replacement paid or payable by You, or
- if the securities cannot or are not to be replaced by You, the greater of
  - price for which You purchased them, or
  - the closing market value on the last business day prior to the date of discovery by You of the loss or destruction of the securities, or
  - if the time of discovery by You is after the close of the market, their closing market value on the day of discovery by You of the loss or destruction of the securities,
- in the case of a loss of subscription, conversion or redemption privileges through the loss of any security, the value of such privileges immediately preceding the expiration thereof, such valuation being in the currency in which the loss was sustained. Losses sustained in currencies other than Australian dollars shall be settled by converting the amount of loss to Australian dollars at the market rate at the time of settlement of the loss or such other rates as may have been expressly agreed with Us. If there is no market price or value on the relevant day stated herein, then the value shall be agreed between You and Us, or in default thereof, We and You shall submit to arbitration and be bound by the decision of the umpire.

In the case of travellers' cheques, discount house vouchers or lottery tickets, the basis of valuation shall be the original purchase price incurred by You.

If a Safe or Strongroom is lost or damaged, We will, at Our option:

- repair the Safe or Strongroom,
- replace the Safe or Strongroom with an item of a specification equal to but not better or more extensive than it was when new,

# Money

- c) if the loss or damage is confined to part of the Safe or Strongroom, repair or pay to You the cost of repair of that part plus the cost of any necessary dismantling and reassembling, or
- d) pay you the cost of repairing or replacing the Safe of Strongroom.

We will not pay costs of alterations, improvements or overhauls carried out when the lost or damaged Safe or Strongroom is replaced or repaired.

## Excess

The Excess that applies is shown on the Schedule.

## EXTRA COVERS

If We agree to pay a claim under this cover section for loss or damage to Money, We will also pay or provide the extra covers set out below.

Unless stated otherwise below, any amounts payable under these extra covers apply in addition to the Sum Insured.

### 1. Seasonal increase of cover

All Money Cover sums insured are increased by 50% for the Seasonal Increase periods:

### 2. Temporary protection and security guards

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

## ADDITIONAL BENEFITS

We will also provide the following Additional Benefits in this cover section.

Unless stated otherwise below, any amounts payable under these additional benefits apply in addition to the Sum Insured.

### 1. Bank and public holidays extension

The sums insured for Money cover are automatically increased by 100% or \$75,000 whichever is the lesser on days that are gazetted bank or public holidays. This increase shall

apply up until bank closing time on the next business day after such holiday. This additional benefit does not apply to damage to Safes and Strongrooms and seasonal increases.

### 2. Directors, and employees tools of trade and personal effects

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

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

### 3. Counterfeit currency

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

### 4. Employee dishonesty

We will cover You for loss of Money as a direct result of theft or dishonesty by any of Your Employees occurring during the Period of Cover, which is discovered within forty-five days of its occurrence. Exclusion 1c), of this section, so far as it relates to loss or damage due to theft or attempted theft committed by an Employee, does not apply to this additional benefit. Our liability under this additional benefit is limited to \$5,000 for any one occurrence. If You are also insured under the Theft cover section, the benefits payable for employee dishonesty shall not be cumulative and shall be limited to \$5,000 in the aggregate per occurrence.

This additional benefit does not cover:

- any loss arising from the conduct of an Employee after You have knowledge of or information about any prior act of fraud or dishonesty by the Employee,
- any loss arising from the conduct of an Employee outside The Commonwealth of Australia,
- any loss where You are unable to identify which Employee is responsible,
- any loss or part of a loss arising from the conduct of an Employee, where the proof of the loss, either as to its occurrence or as to its amount, is dependent upon an inventory stock take or a profit and loss calculation,
- fraud or dishonesty committed by Your Family, or
- fraud or dishonesty committed by any of Your Employees committed with Your connivance.

# Money



## 5. Funeral Expenses

If any person is injured while protecting or attempting to protect Money from theft or attempted theft and death results from that injury within twelve months, We will pay the estate of that person \$10,000. This amount is in addition to any amount We pay for loss of Money. If You are also insured under the Theft cover section, the benefits payable for death following assault shall not be cumulative and shall be limited to \$10,000 in the aggregate.

## 6. Loss of or damage to safes, strongrooms and cash carrying bags

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

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

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

## 7. Replacement of Locks, keys and combinations

We will pay the reasonable cost of replacing locks, keys, magnetic keys or cards or similar devices or to change the sequence of numbers or letters used in a safe or strongroom if

- as a result of theft of Money covered under this cover section, keys or combinations are stolen, or if there are reasonable grounds to believe that keys have been duplicated,
- keys, magnetic keys or cards or similar devices are accidentally lost,
- the sequence of number or letter become known by any unauthorised person or are accidentally lost,
- circumstances have allowed the unauthorised duplication of keys, magnetic keys or cards or similar devices.

We will also pay the reasonable cost of:

- opening Safes and Strongrooms because of the theft of keys or combinations during a theft of Money covered under this cover section,
- developing images stored on media from security camera following a theft or attempted theft of Money.

We will not pay more than \$10,000 for any one claim.

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

## 8. Temporary Cover for New Premises

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

- the Business described in the Schedule, and
- the Money insured described in the Schedule.

Our maximum liability under this additional benefit is limited to 20% of the Sum Insured shown in the Schedule in relation to each item of Money covered under this cover section. Full details of such additional property are to be supplied to Us within 30 days of Your commencement to use the property. If We agree to cover Money at the additional location, We may require payment of an additional Premium.

## 9. Traveller's money

We will pay for loss of Money in your custody, or in the custody of Your Employee while are travelling on Your business anywhere in the world provided that the total amount payable under this extension is limited to \$10,000 in total for any one Event.

## OPTIONAL EXTENSION

The following optional benefits do not apply unless stated in the current Schedule.

### Taxation audit costs

We will cover the reasonable and necessary costs You incur following notification received during the Period of Cover of an audit or investigation by a federal or state Commissioner of Taxation relating to Your liability to pay income tax, fringe benefits tax, capital gains tax, wholesale and sales tax, payroll tax, goods and services tax or superannuation contributions tax in respect of Your Business up to the amount specified on the Schedule for this additional benefit.

'Costs' means professional fees paid to accountants or registered tax agents who are not Your Employees, for work undertaken in connection with the audit or investigation.

### Extension Exclusions

We shall not be liable under this optional benefit:

- for the imposition of any tax, fines, penalties, court costs, penalty tax or interest,
- for costs incurred after completion of the audit or investigation,
- where any proceedings were initiated, threatened or started prior to the commencement of the Period of Cover,



## Money

- d) arising from Your improper, unwarranted or unjustified refusal or failure to comply with any lawful request made by a state or federal Commissioner of Taxation for the production of documents or the supply of information. Refusal or failure to comply will not be deemed improper, unwarranted or unjustified if You refuse or fail to comply upon the advice of Your accountant or tax agent,
- e) for costs from audits or investigations under customs legislation,
- f) for costs from audits or investigations of income received or earned, or where the source of income is, outside the Commonwealth of Australia or where the services giving rise to the claim are performed by persons or entities ordinarily resident outside Australia,
- g) arising out of any fraud or fraudulent act or omission committed by You or on Your behalf,
- h) arising from audits or investigations which result in You, or any person acting on Your behalf, becoming aware of any error or deficiency in any return of income or other documentation supplied to a state or federal Commissioner of Taxation and failing to notify the Commissioner of Taxation without delay.

### Extension Conditions

You must lodge taxation and other returns within the time limits applicable to those returns as prescribed by statute or through extension of time granted by a Commissioner of Taxation.

You must make full and complete disclosure of all assessable income (including capital gains), as required by any relevant legislation.

In the event of a claim arising:

- a) You must at all times keep Us fully and continually informed of all material developments in relation to the claim and in relation to any audit,
- b) You must take all necessary and reasonable steps to minimise any delays and the amount of any costs incurred or likely to be incurred in connection with any audit,
- c) We or Our duly appointed agent may make Our own investigation into any matter which is or may be the subject of a claim, and

You must ensure that Your accountants, registered tax agent and/ or solicitor must cooperate with Us and where necessary, assist Us in relation to any claim and assist Us with any matter We wish to pursue with the Commissioner of Taxation which is or may be the subject of a claim.

### COVER SECTION EXCLUSIONS

What You are not covered for under this cover section.

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

### DEFINITIONS

**"Financial Service Provider"** means a bank, building society or credit union or an agency for any of these.

**"In Private Residence"** means in Your custody and control at Your private residence or in the custody and control of persons authorised by You at their private residences until the next business day when the Money can be deposited in the bank.

**"In Transit"** means Money in Your personal custody or in the custody of persons authorised by You whilst in transit within the Commonwealth of Australia. Money in Transit includes Money while contained in the night safe, night depository chute or automatic teller machine of any Financial Services Provider. Our liability ceases at the time Your Financial Services Provider ceases trading on the next business day following the deposit therein.

Wages and salaries collected from the bank but not paid to Employees is 'in transit' until it is physically in the control of Employees.

**"Money"**, for the purposes of this cover section only, has the meaning in the general definitions and also includes funds held in electronic form in a bank account.

## General Property

# 49

### ABOUT THIS COVER SECTION

This cover section covers portable or valuable items that you usually carry around with You in the course of your Business anywhere in the world. Any individual item worth more than \$2,500 must always be specified.

### YOUR INSURANCE UNDER THIS COVER SECTION

Provided General Property is shown on the Schedule, We will cover You for physical loss of or damage to the Property Insured listed on the current Schedule, up to the Sum Insured, which occurs during the Period of Cover other than any exclusions of this cover section.

### WHAT WE PAY

We will at our option either:

- a) pay You the replacement cost of the Property Insured (including any carry case and usual accessories) at the time of loss or damage, or
- b) repair the Property Insured to a condition equal to but not better or more extensive than its condition when new, or
- c) replace the Property Insured with a new item that has the same features that are nearly the same as (but not less than) the item being replaced.

When the loss or damage is confined to a part or component of the Property Insured, We will only pay for that part or component plus the cost of any necessary dismantling and reassembling.

If We replace or pay the cost of replacing any item of property You no longer have any cover for that item or the replacement item.

The maximum amount We will pay in respect of each Specified Item is the Sum Insured for that item.

The maximum amount We will pay in respect of any one Unspecified Item is \$2500.

The maximum We will pay during the Period of Cover for all claims in respect of any particular group or class of Unspecified Items is the Sum Insured for that group or class of Unspecified Property set out in the Schedule.

### Excess

The Excess that applies is shown on the Schedule.

### OPTIONAL REDUCTION IN COVER

#### 1. Fire, theft, collision and other expressed perils (cover option)

When cover option A is stated on the Schedule, We will only insure the items described in the Schedule under this cover section for loss or damage caused by:

- a) Fire lighting, explosion, malicious damage or vandalism,
- b) Theft following forcible and violent entry which causes visible damage to a locked Vehicle or building,
- c) Theft of equipment securely attached to a Vehicle through use of locks or padlocks, which results in visible damage to the securing devices,
- d) Collision or overturning of the conveying Vehicle.

#### 2. Goods in transit

When Goods in transit cover option is stated on the Schedule, We will only cover You up to the limit specified in the Schedule for this cover option, less the Excess, for loss of or damage to goods belonging to You or for which You are legally responsible, whilst in the normal course of transit by road Vehicle owned or operated by You anywhere in Australia, caused by the following insured events:

- a) Collision or overturning of the conveying Vehicle,
- b) Fire, lightning or explosion,
- c) Theft resulting from forcible and violent entry evidenced by visible damage to the securely locked portion of a Vehicle containing Your item.

### Exclusions

We will not be liable under this cover option for loss of or damage to:

- a) Money,
- b) jewellery, watches, furs, antiques, paintings, works of art, precious metals or precious stones or articles composed of any of them,
- c) explosives, petroleum products in bulk or gas in bulk,
- d) livestock,
- e) cigarettes, tobacco, wines, spirits or other alcoholic beverages unless specified in the Policy Schedule,

Further, We will not be liable for loss or damage as a result of:

- f) delay, loss of market, consequential loss of any kind, depreciation or deterioration,
- g) collision or contact by the conveying Vehicle with the curb or uneven road surface,
- h) theft by any of Your Employees whether acting alone or in collusion with others,

## General Property

- i) electrical or mechanical derangement unless damage is visible to the exterior of the machine.

### WHAT WE PAY

In the event of a claim the value of goods lost or damaged shall be taken as:

- a) for goods sold - Your invoice value,
- b) for goods purchased - the purchase price as shown on the invoice,
- c) all other goods including plant transfers – market value.

### ADDITIONAL BENEFITS

We will also provide the following additional benefit in this policy section.

Any amounts payable under these additional benefits apply in addition to the Sum Insured.

#### 1. Theft of other equipment

We will cover You for theft of any property of a similar nature to that insured by this Cover Section not belonging to You, but in Your physical or legal control for the purposes of your Business occurring during the Period of Cover anywhere in the world.

This additional benefit does not cover theft committed by any member of Your Family or by any Employee of Yours or committed by any person whilst lawfully at Your Premises.

We will not cover You under this additional benefit unless the Property Insured was:

- a) in a securely locked Vehicle and the theft was consequent upon forcible and violent entry to the Vehicle,
- b) securely and permanently affixed to a building or Vehicle and theft is consequent upon forcible and violent removal of the insured property,
- c) in a Vehicle and was securely chained to that Vehicle by a steel chain having a link diameter of 10mm or greater and a padlock with a security rating under AS 4145.4 (or any subsequent amendment) of 6 (or its equivalent) or above,
- d) in Your private residence or the private residence of your Employee who has been authorised by You to have the custody and control of the Property Insured. However We will not cover any theft by a tenant,
- e) securely locked in a building or any part of the building and the theft is consequent upon forcible and violent entry to the building or that part of the building. However We will not cover any theft:

- i) committed by any person while lawfully in the building, or
- ii) of Property Insured which is unattended in areas of the building.
- f) stolen as a consequence of armed hold-up or the threat of physical violence.

We will not cover You for more than \$2,000 in any one Period of Cover under this additional benefit.

### COVER SECTION EXCLUSIONS

1. We will not cover loss of or damage to General Property under the General Property cover section which is:
  - a) covered under any other cover section of this Policy,
  - b) being constructed, erected, altered, manufactured, cleaned or repaired.
2. We will not cover loss or damage caused by:
  - a) wear and tear, fading, scratching or marring, rust, corrosion, mildew, mould, contamination or pollution, wet or dry rot, change of colour, flavour, texture or finish, dampness of atmosphere, variations in temperature, evaporation, disease, inherent vice, latent defect, loss of weight, depreciation, gradual deterioration or developing flaws, normal upkeep or making good, smut or smoke from industrial operations (other than sudden or unforeseen damage resulting therefrom),
  - b) insects or vermin such as rats, mice, rabbits, possums and birds,
  - c) faulty materials,
  - d) faulty workmanship,
  - e) mechanical, electrical or electronic breakdown.

Exclusion 2 applies to the part first and immediately affected and do not extend to subsequent damage to other parts of the property occasioned by a peril which is not otherwise excluded.

3. We will not cover:
  - a) Property Insured not being used by You in accordance with the manufacturer's instructions,
  - b) any legal liability of whatsoever nature,
  - c) consequential loss of any kind.

## Employee Dishonesty

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### ABOUT THIS COVER SECTION

This cover section covers the theft of Your Money, Contents or Stock by any of Your employees either acting alone or in collusion with others.

### YOUR INSURANCE UNDER THIS POLICY SECTION

Provided 'Employee Dishonesty' is shown under 'What's Covered' in the schedule We will insure You for loss of Money, Contents or Stock as a result of any act of fraud or dishonesty committed by any of Your Employees, either acting alone or in collusion with others that is first discovered by You during the Period of Cover.

### WHAT WE PAY

We will:

- a) pay You the amount of lost Money,
- b) at Our option, replace lost Contents or Stock or pay the market value of the Contents or Stock.

Our total liability for all Losses and Claims Preparation Fees during the Period of Cover shall not exceed the Sum Insured shown on the Schedule.

Our liability for all Losses relating to acts of fraud or dishonesty committed by one Employee, or any Group of Employees, or any number of Groups of Employees that contain one common Employee, will not exceed the Limit per Employee shown on the Schedule.

Our liability will be reduced by the sum of all moneys to which an Employee who caused a Loss would have been entitled, but which are retained by You or which You are entitled to retain.

We will be liable only for that part of the Loss that exceeds the Excess shown on the Schedule or on any endorsement to this Section

### ADDITIONAL BENEFITS

We will also provide the following additional benefits in this cover section.

Unless stated otherwise below, any amounts payable under these additional benefits do not apply in addition to the Sum Insured.

#### 1. Costs of recovery

If You sustain a loss greater than the Sum Insured shown in the Schedule for this cover section, We will pay up to an additional 20% of the Sum Insured shown in the Schedule for costs and expenses that You have reasonably incurred in an attempt to recover the lost Contents, Stock or Money.

#### 2. Retroactive cover

If this cover section replaces any previous fraud and dishonesty policy held by You that is terminated, cancelled or allowed to expire at the time of the replacement, We will cover any loss that is within the Period of Cover of the previous policy provided that:

- a) the loss is not covered by the previous policy,
- b) the loss would have been recoverable by You under the previous policy except for the fact that the time within which to discover any loss had expired, and
- c) the loss would have been covered under this cover section if this cover section had been in force when the acts or defaults causing the loss were committed.

We will not cover You for any loss arising from any act of dishonesty committed more than 12 months before the inception of this cover section.

We will not cover You for more than the lesser of the:

- a) Sum Insured shown in the Schedule, or
- b) the amount that would have been recoverable under the previous policy had it continued in force until the discovery of the loss.

#### 3. Superannuation funds

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

#### 4. Welfare, social or sporting club

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

### COVER SECTION EXCLUSIONS

This cover section does not cover:

- a) any loss arising from the dishonesty of an Employee, discovered:
  - i) within 60 days of expiry of the Period of Cover, or
  - ii) 12 months after the termination of employment of the relevant Employee(s).
- b) Loss arising from an act committed by an Employee after You have knowledge of, or reasonable cause to suspect, the commission by the Employee of an act of fraud or dishonesty, unless if, when You first obtained the knowledge or reasonable cause for suspicion:
  - i) the Money, negotiable instruments or goods that are the subject of the Loss were in the possession of the Employee, and

## Employee Dishonesty

- ii) You immediately took all reasonable action to regain possession of the money, negotiable instruments or goods,
- c) loss arising from the dishonesty of an Employee outside The Commonwealth of Australia,
- d) any loss where You are unable to identify which Employee is responsible unless You can satisfactorily demonstrate to Us that the loss was caused by the dishonest conduct of one or more Employees,
- e) loss or part of a loss arising from the dishonesty of an Employee, where the proof of the loss, either as to its occurrence or as to its amount, is dependent upon an inventory stock take or a profit and loss calculation,
- f) fraud or dishonesty by any of Your Employees committed with Your connivance, or
- g) Consequential Loss, loss of use, loss of earning capacity and any other consequential loss.

### COVER SECTION CONDITIONS

#### 1. Notification of loss

You must:

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

#### 2. Notification of alteration of risk

You must as soon as practicable notify Us in writing of any change that will or might increase the risk, including a change in the nature of your Business;

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

#### 3. Prevention of further loss after discovery

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

#### 4. Our rights of conduct and recovery

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

- c) You must co-operate with Us fully in the recovery of a Loss.

### DEFINITIONS

Some words have special meaning wherever they appear in the Employee dishonesty cover section. These words and their meanings are listed below.

“Claim documents” means:

- a) the documentation created in the preparation of, or evidencing, a claim, and
- b) all records and documents that may assist Us to investigate:
  - i) a claim, or
  - ii) a Loss, or
  - iii) Your right of recovery in consequence of a Loss; including electronic records, computer records, video and audio recordings, working papers, internal memoranda, reports, accounting records and audit documents.

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

“Loss” means direct loss:

- a) of:
  - i) Money,
  - ii) negotiable instruments, or
  - iii) goods.

which belong to You, or are in Your possession and for the loss of which You are liable;

- b) occurring in the ordinary course of Your Business,
- c) caused directly by an act of fraud or dishonesty:
  - i) of an Employee, and
  - ii) committed within twelve (12. months before discovery by You of the act of fraud or dishonesty, and
- d) discovered by You:
  - i) during the Period of Cover, or
  - ii) if this cover section is not renewed or is cancelled, within twelve (12. months after the Period of Cover or the date of cancellation for this cover section of the Policy; but in either case no later than twelve (12. months after the cessation of employment of the relevant Employee, and does not include cover for any indirect or Consequential Loss whatsoever.

## Business Interruption

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### YOUR INSURANCE UNDER THIS COVER SECTION

This cover section only forms part of Your Policy when Business Interruption is shown in the Schedule.

There are three Parts available in this section:

- Part A – Insurable Gross Profit basis,
- Part B – Annual Revenue basis,
- Part C – Weekly Revenue basis.

Your Schedule indicates which Part has been selected by You.

### PART A – INSURABLE GROSS PROFIT BASIS

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

Provided that:

- a) the payment is in accordance with the ‘What we Pay’ provision for the item,
- b) We have paid for or admitted liability in respect of such Damage to your Property Insured under the relevant section of Your Policy, or another insurer has paid for or admitted liability in respect of such Damage,
- c) We would have paid for or admitted liability for such Damage under the relevant section of this Policy, or another insurer would have paid for or admitted liability in respect of such damage, but for the application of an Excess, and
- d) Our liability in no case will exceed in respect of each item the Sum Insured shown in the current Schedule for that item.

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

- Item 1 Gross Profit (if selected)
- Item 2 Additional increase in cost of working (if selected)
- Item 3 Accounts receivable (if selected)
- Item 4 Claim preparation expenses (if selected)
- Item 5 Rent Receivable (if selected)

### What We Pay

Item 1. Gross profit

This item is limited to the loss of Gross Profit due to a reduction in Turnover and the increase in Your cost of working.

The amount payable as indemnity under this item will be:

- a) in respect of reduction in Turnover: the sum produced by applying the Rate of Gross Profit to the Shortage in Turnover during the Indemnity Period, and
- b) in respect of the increase in cost of working: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which, but for the additional expenditure, would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of reduction thereby avoided.

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

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

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

Item 2. Additional increase in cost of working

See ‘Common Clauses to Parts A, B and C’.

Item 3. Accounts receivable

See ‘Common Clauses to Parts A, B and C’.

Item 4. Claim preparation expenses

See ‘Common Clauses to Parts A, B and C’.

Item 5. Loss of Rent Receivable

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

## Business Interruption

The amount payable will be:

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

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

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

### PART B – ANNUAL REVENUE BASIS

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

Provided that:

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

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

- Item 1 Revenue (if selected)
- Item 2 Additional increase in cost of working (if selected)
- Item 3 Accounts receivable (if selected)
- Item 4 Claim preparation expenses (if selected)

#### What we Pay

- Item 1. Revenue

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

The amount payable as indemnity under Item 1 will be:

- a) in respect of the loss of Revenue, the amount by which the Revenue earned during the Indemnity Period falls short of the Standard Revenue, in consequence of the Damage, and
- b) in respect of the Increase in cost of working, the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Revenue which, but for the additional expenditure, would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the amount of reduction in Revenue thereby avoided, less any sum saved during the Indemnity Period in respect of such charges and expenses of Your Business payable out of Revenue as may cease or be reduced in consequence of the Damage.

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

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

- Item 2. Additional increase in cost of working

See 'Common Clauses to Parts A, B and C'.

- Item 3. Accounts receivable

See 'Common Clauses to Parts A, B and C'.

- Item 4. Claim preparation expenses

See 'Common Clauses to Parts A, B and C'.

## Business Interruption

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### PART C – WEEKLY REVENUE BASIS

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

Provided that:

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

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

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

- Item 1 Weekly Revenue
- Item 2 Additional increase in cost of working
- Item 3 Accounts receivable
- Item 4 Claim preparation expenses

#### Basis of settlement

- Item 1. Weekly Revenue

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

- Item 2. Additional increase in cost of working

See 'Common Clauses to Parts A, B and C'.

- Item 3. Accounts receivable

See 'Common Clauses to Parts A, B and C'.

- Item 4. Claim preparation expenses

See 'Common Clauses to Parts A, B and C'.

### COMMON CLAUSES TO PARTS A, B AND C

#### 1. Accumulated Stocks

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

#### 2. Alternative trading

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

#### 3. Departmental Provision

We will apply the cover provided by this cover section to each department of your Business separately, if your business is conducted in departments, and each department has independent trading results which are ascertainable. For the purposes of this clause, the Rent Receivable from letting of property at the Premises will be regarded as the proceeds of one such department.

#### 4. Item 2 - Additional increase in cost of working

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

We will not pay more than the Sum Insured for 'Additional increase in cost of working' shown in the Schedule for any one claim.

#### 5. Item 3 - Accounts receivable

Under this item We will pay You up to the amount shown in the current Schedule for all sums due to You from debtors that You are unable to collect because of Damage to records of accounts receivable. We will also pay collection expenses in excess of normal collection costs made necessary because of the Damage as well as interest charges at the ruling rate of Your bank on any loan to offset impaired collections pending repayment of such sums made uncollectible by such Damage. If You cannot accurately establish the total amount of accounts receivable outstanding as at the date of the Damage, the amount will be computed as follows:

## Business Interruption

- a) determine the amount of all outstanding accounts receivable at the end of the same fiscal month in the year immediately preceding the year in which the Damage occurs,
- b) calculate the percentage of increase or decrease in the average monthly total of accounts receivable for the year immediately preceding the month in which the Damage occurs, as compared with such average for the same months of the preceding year,
- c) the amount determined under a), increased or decreased by the percentage calculated under b) above, will be the agreed total amount of accounts receivable as of the last day of the fiscal month in which said Damage occurs,
- d) the amount determined under c) above will be increased or decreased in conformity with the normal fluctuation in the amount of accounts receivable during the fiscal month involved, consideration being given to the experience of Your Business since the last day of the last fiscal month for which statements have been rendered less:
  - i) the amounts of such accounts evidenced by records not suffering Damage or otherwise established or collected by You,
  - ii) an amount to allow for probable bad debts that would normally have been uncollectible by You,
  - iii) all unearned interest and service charges, and
  - iv) settlement or term discounts normally allowed.

We will not pay more than the Sum Insured for 'Accounts Receivable' shown in the Schedule for any one claim.

### 6. Item 4 - Claim preparation expenses

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

### 7. Government incentives

The words 'Gross Profit', 'Revenue' and 'Weekly Revenue' 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.

### 8. Sum Insured

Our liability to You will in no case exceed in respect of each item the sum insured expressed against that item in the current Schedule. 'Additional Benefits' are within the total sum insured of this section and not additional to the total sum insured. If You have chosen Part C – Weekly Revenue, We

will not pay more each week for loss of weekly revenue than the weekly benefit.

### 9. New business

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

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

"Rate of Gross Profit" means the proportion that the Gross Profit bears to the Turnover during the period between the date of commencement of Your Business and the date of the Damage.

"Standard Turnover" means the Turnover achieved between the date of commencement of Your Business and the date of the Damage, converted to the selected Indemnity Period.

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

"Standard Revenue" means the Revenue achieved between the date of commencement of Your Business and the date of the Damage, converted to the selected Indemnity Period.

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

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

### 10. Salvage sale

If, following Damage giving rise to a claim under this Policy, the insured shall hold a salvage sale during the Indemnity Period:

- a) Clause a) of Item 1 "Gross Profit" of this cover section shall, for the purpose of such claim, read as follows:

In respect of reduction in Turnover: the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period (less the

## Business Interruption

Turnover for the period of the salvage sale) shall, in consequence of the Damage, fall short of the Standard Turnover, from which shall be deducted the Gross Profit actually earned during the period of the salvage sale,

- b) The definition of Shortage in Turnover shall, for the purpose of such claim, mean:

the amount by which the Turnover during a period (less the Turnover for the period of the salvage sale) shall, in consequence of the Damage, fall short of the part of the Standard Turnover which relates to that period, from which shall be deducted the pay-roll paid out of the proceeds of the salvage sale.

### 11. Turnover output

Where 'Business Interruption' has been selected and In the event of damage giving rise to a claim under this cover section, at Your option, the word 'Output' may be substituted for the term 'Turnover'.

For the purpose of this cover section, 'Output' shall mean the sale and/or invoice value of goods manufactured and/or processed by you in the course of Your Business at the Premises provided that only one such meaning shall be operative in connection with any one event involving damage.

If You select the cover available under this clause, the clause headed 'Alternative Trading' shall be altered to read as follows:

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

### EXTRA COVERS

This cover section is extended to include the following Extra Covers. The Extra Covers 1 to 5 inclusive are payable provided that the Sum Insured expressed against the relevant item(s) in the Schedule is not otherwise exhausted.

#### 1. Contractual fines and penalties

Following a claim under Part A – Insurable Gross Profit, Item 1 Gross Profit, We will also pay:

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

such goods or the amount received from sale.

The amount payable shall not exceed 20% of the total Sum Insured for Gross Profit.

### 2. Explosion of pressure vessels

We will treat the self-explosion or collapse of pressure vessels including boilers, compressors or economisers at the Premises as damage for the purposes of this cover section.

### 3. Infectious disease, etc.

We will pay You for interruption or interference with Your Business due to closure or evacuation of the whole or part of the Business Premises during the Period of Cover by order of a competent government, public or statutory authority as a result of:

- a) bomb threat, vermin or pests or defects in the drains or other sanitary arrangements, occurring at the Business Premises,
- b) an outbreak of an infectious or contagious human disease occurring within a 20-kilometre radius of the Business Premises, however there is no cover for highly pathogenic Avian Influenza or any disease declared to be a quarantinable disease under the Quarantine Act 1908 (as amended) irrespective of whether discovered at the location of Your premises, or out-breaking elsewhere,
- c) injury, illness or disease caused by the consumption of food or drink supplied at or from Your Business Premises during the Period of Cover,
- d) murder or suicide occurring at the Business Premises, or
- e) shark or crocodile attack occurring within a 20-kilometre radius of the Business Premises during the Period of Cover.

### 4. Motor vehicles owned or operated by You

We will cover You for interruption to Your Business that is caused by or results from damage during the Period of Cover to any registered Vehicles or trailers owned or operated by You, while such Vehicles are at the Business Premises or at other premises in Australia but not on a public thoroughfare.

### 5. Prevention of access

We will cover You for interruption to your Business that is caused by or results from damage to property in the vicinity of the Premises which prevents or hinders the use or access to the Premises provided that:

- a) the damage would have been covered under the Business Property cover section if the damaged property in the vicinity of the Premises had been insured under that cover section,
- b) the damage prevents or hinders the use of or access to the Premises,

## Business Interruption

- c) the damage results in the interruption of or interference to the Business.

We will cover You for interruption to Your Business that is caused by an order of any legal authority which prevents or restricts access to the Premises provided that the order results from the threat of damage to property within a 50 kilometre radius of the Premises.

### ADDITIONAL BENEFITS

This cover section is extended to include the following Additional Benefits. The Additional Benefits 1 to 8 inclusive are payable provided that the Sum Insured expressed against the relevant item(s) in the Schedule is not otherwise exhausted.

#### 1. Computer installations

We will treat damage to computer installations, including ancillary equipment and data processing media, utilised by You in the Commonwealth of Australia other than at the Premises as damage for the purpose of this cover section provided that:

- the damage would have been covered under the Business Property cover section if the computer facilities had been insured under that cover section,
- the damage results in You being unable to utilise a computer installation or any ancillary equipment in Your Business, and
- the damage results in interruption of or interference with Your Business.

#### 2. Customers and suppliers – unspecified

We will treat damage to unspecified property at:

- the premises of Your suppliers, manufacturers or processors of component goods, materials or services which supply the business directly, or
- of customers of goods or materials or services (other than those services provided by any Public utilities), or
- at storage premises neither owned nor operated by You where You store goods or materials,

all within the Commonwealth of Australia as damage for the purpose of the cover section, provided that Our liability will not exceed 20% or the percentage shown in the Schedule of the Sum Insured applicable to this cover section.

#### 3. Documents temporarily removed

We will treat damage to damage to Your documents or documents held in trust by You and electronic data files belonging to or held in trust by You that are:

- temporarily removed to other premises anywhere in Australia, or

- while in transit in transit to any place in Australia if the following apply:

- the damage would have been covered under the Business Property Cover Section if the documents and Data files had been insured under that cover section,
- the damage results in interruption of or interference with Your Business as damage for the purposes of this cover section.

We will not cover you for more than 20% of the Sum Insured or the amount shown in the Schedule, whichever is the greater.

#### 4. 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 cover section provided that:

- the damage to the property of the major tenant would have been covered under the Business Property Cover Section if such damage had been to property insured under that cover section,
- the damage results in a reduced pedestrian count coming into the shopping complex, and

the damage results in interruption of or interference with Your Business.

#### 5. Roads, bridges and railway lines

We will treat damage to roads, bridges and/or railway lines within the Commonwealth of Australia over which raw materials, components and Stock are conveyed to or from the Premises as being damage for the purposes of this cover section if the following apply:

- the damage would have been covered under the Business Property Cover Section if such damage had been to property insured under that cover section,
- the damage results in not being able to convey Stock, components or materials used in Your Business to and from Your Premises,
- the damage results in interruption of or interference with Your Business.

#### 6. Storage sites/temporary removal

We will cover You for interruption to Your Business that is caused by or results from damage to your property stored or being processed at any premises in the Commonwealth of Australia not occupied by You. Our total liability under this additional benefit will not exceed 20% of the Sum Insured.

#### 7. Transit

We will cover You for interruption to Your Business that is caused by or results from damage to Your property while in

## Business Interruption

transit by road, rail, sea or air within the Commonwealth of Australia and outside of the Premises occupied by You. Our total liability under this additional benefit will not exceed 20% of the Sum Insured in respect of any one occurrence

#### 8. Utilities

We will treat damage to the following utilities:

- any electricity supply system, or
- any gas supply system, or
- water supply or sewerage works, or
- any land-based telecommunications system, system within the Commonwealth of Australia which supplies your Business,

as damage for the purposes of this cover section if the following apply:

- the damage would have been covered under the Business Property Cover Section if such damage had been to property insured under that cover section,
- the damage results in hindering or stopping the supply of electricity, gas, water or telecommunications to the premises or sewage from the Premises, or
- the damage results in interruption of or interference with Your Business.

We will not pay for the first 48 hours where the utility which was damaged is not at or immediately adjacent to the premises.

### OPTIONAL EXTENSIONS

The following Optional benefit does not apply automatically. It will apply when You have requested its inclusion in this cover section, and the current Schedule has been endorsed by Us noting the inclusion.

#### 1. Goodwill

Following Damage to any building at Your Premises We will pay, up to the sub-limit of liability shown in the current Schedule for 'Goodwill', for the actual cost of goodwill incurred by You when purchasing a business in order to maintain Your Business activities. Provided that:

- We will only pay these goodwill costs when the building that is damaged cannot or will not be repaired or rebuilt due to any refusal by any owner or lessor other than You to repair or rebuild; and any restrictions imposed by any legal authority, and
- the purchase of the business is incurred because You were unable to continue Your Business at the Business Premises as a result of the Damage to the buildings not being repaired, and

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- the cause of the Damage to the buildings would have been covered by the Business Property cover section of Your Policy had that building been insured under that cover section, and

- the business that is purchased is similar to Your Business.

#### 2. Specified Customers and Suppliers

We will pay for loss of Gross Profit, Revenue or Weekly Revenue that results from an interruption to your Business that is caused by Damage that occurs in Australia to:

- Specified suppliers property at the premises of Your suppliers shown in the Schedule up to an amount calculated by applying the percentage shown in the Schedule to the Sum Insured for Gross Profit, Revenue or Weekly Revenue,
- Specified customers property at the premises of Your customers shown in the Schedule up to an amount calculated by applying the percentage shown in the Schedule to the Sum Insured for Gross Profit, Revenue or Weekly Revenue.

### POLICY SECTION CONDITIONS

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

### DEFINITIONS

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

**“Annual Revenue”** means the Revenue earned during the twelve months immediately before the date of the Damage to which such adjustments will be made as may be necessary to provide for the trend of Your Business and for variations in or other circumstances affecting Your Business either before or after the Damage or which would have affected Your Business had the Damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the Damage, would

## Business Interruption

have been obtained during the relative period after the Damage.

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

**“Damage”** means physical loss, destruction or damage (occurring during the Period of Cover) from the operation of a peril or event insured against under the ‘Business Property cover section’, the ‘Theft cover section’, the ‘Money cover section’, the ‘Glass cover section’ or the ‘General Property section’ of Your Policy.

**“Gross Profit”** means the amount by which the sum of the Turnover and the amount of the closing Stock and work in progress exceeds the sum of the opening Stock and work in progress and the amount of the Uninsured Working Expenses.

Note: The amount of the opening and closing Stocks will be arrived at in accordance with Your normal accounting methods, due provision being made for depreciation.

**“Indemnity Period”** means the period beginning with the occurrence of the Damage during which the results of Your Business are affected by the Damage and ending at the expiration of the maximum period specified in the current Schedule or, in the case of Weekly Revenue, ending at the earliest of either the expiration of the maximum period specified in the Policy Schedule or when Weekly Revenue during that period equals or exceeds 95% of Standard Weekly Revenue.

**“Rate of Gross Profit”** means the Rate of Gross Profit, expressed as a percentage, earned on the Turnover during the financial year immediately before the date of the Damage to which such adjustments will be made as may be necessary to provide for the trend of Your Business and for variations in or other circumstances affecting Your Business either before or after the Damage or which would have affected Your Business had the Damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage.

**“Rent Receivable”** means the amount of the rent received or receivable (including base rental, Turnover rental and contributions to outgoings) from the letting of property at the Business Premises.

**“Revenue”** means the Money paid or payable to You as a:

- a) Wholesaler or retailer of goods – for goods sold and delivered in the course of Your Business less the cost of any related purchases (after any discounts).
- b) Professional practitioner or consumer services provider – for services rendered and work performed in connection with Your Business.
- c) Property owner – by tenants (being Rent Receivable).

**“Shortage in Turnover”** means the amount by which the Turnover during a period will, in consequence of the Damage, fall short of the part of the Standard Turnover which related to that period.

**“Standard Rent Receivable”** means the Rent Receivable during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period to which such adjustments will be made as may be necessary to provide for the trend of Your Business and for variations in or other circumstances affecting Your Business either before or after the Damage or which would have affected Your Business had the Damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage.

**“Standard Revenue”** means the Revenue earned within that period during the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period to which such adjustments will be made as may be necessary to provide for the trend of Your Business and for variations in or other circumstances affecting Your Business either before or after the Damage or which would have affected Your Business had the Damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage.

**“Standard Turnover”** means the Turnover during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period to which such adjustments will be made as may be necessary to provide for the trend of Your Business and for variations in or other circumstances affecting Your Business either before or after the Damage or which would have affected Your Business had the Damage not occurred, so that the adjusted figures will represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage.

## Business Interruption

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**“Standard Weekly Revenue”** means the average of the Weekly Revenues in that period during the fifty two (52) weeks immediately before the date of the Damage which corresponds with the Indemnity Period, adjusted as may be necessary for trends, variations in or other circumstances affecting Your Business, so that the adjusted figure will represent as far as possible the weekly results which, but for the Damage, would have been obtained during the relative period after the Damage.

**“Turnover”** means the amount (less discounts allowed) paid or payable to You for goods sold and delivered and for services rendered in the course of Your Business at the Business Premises.

**“Uninsured Working Expenses”** the working expenses of Your Business which You have elected not to insure under this section, and which are specified in the current Schedule.

**“Weekly Revenue”** means the Money paid or payable to You each week as a:

- a) Wholesaler or retailer of goods – for goods sold and delivered in the course of Your Business less the cost of any related purchases (after any discounts).
- b) Motel operator – in respect of facilities, accommodation, food and drink made available and services rendered in connection with Your Business, less the cost of any related purchases (after any discounts) and laundering and cleaning expenses.
- c) Professional practitioner or consumer services provider – for services rendered and work performed in connection with Your Business.
- d) Property owner – by tenants (being Rent Receivable).

## Public and Products Liability

### ABOUT THIS COVER SECTION

This cover section only forms part of Your Policy when the Public and Products Liability cover section is shown on the Schedule.

### YOUR INSURANCE UNDER THIS COVER SECTION

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

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

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

### Defence costs and supplementary payments

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

1. defend, in Your name and on Your behalf, any claim or suit against You alleging such Personal Injury, Property Damage or Advertising Injury and seeking damages on account thereof even if any of the allegations of such claim or suit is groundless, false or fraudulent,
2. pay all charges, expenses and legal costs incurred by Us and/ or by You with Our written consent (which consent shall not be unreasonably withheld):
  - a) in the investigation, defence or settlement of such claim or suit, including loss of salaries or wages because of Your attendance at hearings or trials at Our request, or
  - b) in bringing or defending appeals in connection with such claim or suit,
3. pay:
  - a) all charges, expenses and legal costs recoverable from or awarded against You in any such claim or suit,
  - b) pre-judgment interest awarded against You on that part of the judgment payable by Us, and
  - c) all interest accruing on Our portion of any judgment until We have paid, tendered or deposited in court that part of such judgment which does not exceed the Limit of Our liability thereon,
4. pay premiums on:
  - a) bonds to release attachments for amounts not exceeding the applicable Limit of liability of this Policy

- but we shall have no obligation to apply for or furnish any such bond,
  - b) appeal bonds and/or security for costs required in any suit but We shall have no obligation to apply for or furnish any such bonds and/or security for costs,
5. pay expenses incurred by You for:
    - a) rendering first aid and/or surgical or medical relief to others at the time of any Personal Injury (other than any medical expenses, which We are prevented from paying by any law),
    - b) temporary protection of damaged or undamaged property of any person or party, including temporary repairs, shoring up and/or unpinning thereof,
    - c) purchasing and/or hiring and/or erection and dismantling of hoarding, barriers, fences and any other form of temporary protection, including such protection which You must provide in compliance with the requirements of any Government, Local Government or other Statutory Authority,
  6. pay all legal costs incurred by You with Our consent for representation of You at:
    - a) any Coronial inquest or Inquiry,
    - b) any proceedings in any court or tribunal in connection with liability insured against by this cover section of the Policy;
    - c) any Royal Commission or Government Enquiry arising out of any alleged breach of statutory authority, or other similar judicial enquiry into circumstances relating to any occurrence, claim or potential claim which would be the subject of indemnity under this insurance;
    - d) any enquiry, prosecution or hearing of a disciplinary nature held before a legally constituted enquiry board, committee, licensing authority or the like.

Provided that Our liability under clauses 6c) and d) shall not exceed \$250,000 in respect of any one claim or series of claims arising out of any one Occurrence.

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

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

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

## Public and Products Liability

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this cover section of the Policy.

In jurisdictions where We may not legally be permitted to, or cannot for any other reason, defend any claim or suit against You, We will reimburse You for the expense of such defence incurred with Our written consent.

### Limits of liability and excess

Subject to:

- a) the 'Claim preparation expenses' provision under 'General Policy conditions',
- b) the 'Defence costs and supplementary payments' clause above,
- c) sub-paragraph 5 of Additional Benefit 'Property in Your physical and legal control' below,

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

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

The applicable limit of liability will not be reduced by the amount of any Excess payable by You.

### ADDITIONAL BENEFITS

#### Property in Your physical and legal control

Exclusion 18 will not apply to the following property:

1. premises or part(s) of premises (including their contents) leased or rented to, or temporarily occupied by, You for the purpose of Your Business, but no cover is provided by this cover section of the Policy if You have assumed the responsibility to insure such premises,
2.
  - a) premises (and/or their contents) temporarily occupied by You for the purpose of carrying out work in connection with Your Business, or
  - b) any other property temporarily in Your possession for the purpose of being worked upon, but no indemnity is granted for damage to that part of any property upon which You are or have been working if the damage arises solely out of such work,
3. any Vehicle (including its contents, spare parts and accessories while they are in or on such Vehicle) not belonging to or used by You, whilst any such Vehicle is in a car park owned or operated by You provided that You do not operate the car park for reward, as a principal part of Your Business,

4. the personal property, tools and effects of any of Your directors, partners, proprietors, officers, executives or Employees, or the clothing and personal effects of any of Your visitors.
5. any property (except property that You own) not mentioned in clauses 1, 2, 3 and 4 of this additional benefit whilst in Your physical or legal care, custody or control where You have accepted or assumed legal liability for such property. Provided that our liability under this clause shall not exceed \$250,000 or the amount stated in the Schedule, in respect of any one claim or series of claims arising out of any one Occurrence.

### OPTIONAL EXTENSIONS

Where indicated on the Schedule as applying

#### 1. Motor trade, excluding testing and delivery

Additional benefit (Property in Your physical or legal control) of the Public and Products Liability cover section of this Policy includes:

- a) Vehicles for repairs, servicing, maintenance or storage whilst within the confines of Your premises, or
- b) whilst left stationary in the immediate vicinity of Your premises in any public or private road or thoroughfare subject to a maximum indemnity of \$100,000 any one Occurrence and an Excess of \$500.

Exclusion 2 (Vehicles) of the Public and Products Liability cover section of this Policy does not apply to Property Damage arising from any Vehicle (not owned by or leased to You) whilst within the confines of Your premises.

#### 2. Motor trade, including testing and delivery

Additional benefit (Property in Your physical or legal control) of the Public and Products Liability cover section of this Policy includes:

- a) Vehicles for repairs, servicing, maintenance or storage whilst within the confines of Your premises or whilst left stationary in the immediate vicinity of Your premises in any public or private road or thoroughfare subject to a maximum indemnity of \$100,000 any one Occurrence and an Excess of \$500,
- b) Property Damage to any registered Vehicle not owned or leased by You but in Your physical or legal control for the purpose of repairs, servicing or garaging whilst such Vehicle is on any public roadway or thoroughfare whilst being tested &/or collected &/or delivered subject to a maximum indemnity of \$100,000 any one Occurrence and an Excess of \$500.

Exclusion 2 (Vehicles) of the Public and Products Liability cover section of this Policy does not apply to:



## Public and Products Liability

- c) Property Damage arising from any Vehicle (not owned by or leased to You) whilst within the confines of Your premises,
- d) Property Damage to any other property not being Your own or used by You or on Your behalf caused by the Vehicle as described and used in item b) of this clause. The maximum amount We will pay for Property Damage under this clause is \$100,000 any one Occurrence.

The indemnity provided by Optional extensions 1. and 2. above shall not apply to any Property Damage arising from:

- e) The use of any unsafe or unroadworthy Vehicle unless such condition could not reasonably be detected by You. This exclusion shall not apply if such Property Damage was not caused or contributed to by such unsafe or unroadworthy condition,
- f) The use of a Vehicle by:
  - i) 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 by any person who is convicted of driving at the time of the Property Damage being under the influence of intoxicating liquor, or
  - iii) anyone whose blood alcohol reading exceeds the legal limit (subject to any laws to the contrary), or
  - iv) anyone who 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 where the Property Damage occurred.

However We will cover You if You have allowed a person to drive a Vehicle in Your physical or legal control and You can prove that You were not aware that the Vehicle was being driven by or in charge of that person when they were so affected or unlicensed.

### 3. Products Exported to North America with Your Knowledge (Applicable only where this Optional Extension is confirmed in the Schedule)

The definition of "Geographical Limit" is amended to mean:

- a) anywhere in the World except North America,
- b) North America but only with respect to:
  - i) overseas business visits by any of Your directors, partners, officers, executives or Employees, who are non-resident in North America but not where they perform manual work in North America,
  - ii) Products exported to North America.

### COVER SECTION EXCLUSIONS

We do not cover any liability:

#### 1. Advertising Injury

for Advertising Injury:

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

#### 2. Aircraft, hovercraft

for Personal Injury and/or Property Damage arising from:

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

#### 3. Aircraft products

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

#### 4. Asbestos

for Personal Injury, Property Damage (including loss of use of property) or Advertising Injury directly or indirectly caused by, arising from or in any way connected to asbestos.

#### 5. Breach of professional duty

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

- a) arising out of the rendering of or failure to render professional medical advice by Medical Persons employed by You to provide first aid and other medical services on Your premises,
- b) arising out of advice which is given by You for no fee,

## Public and Products Liability

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- c) arising out of advice given in respect of the use or storage of Your Products.

### 6. Contractual liability

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

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

### 7. Damage to products

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

### 8. Data

arising out of:

- a) the communication, display, distribution or publication of Data; provided that this Exclusion does not apply to Personal Injury and/or Advertising Injury arising therefrom,
- b) the total or partial destruction, distortion, erasure, corruption, alteration, misrepresentation or misappropriation of Data,
- c) error in creating, amending, entering, deleting or using Data,
- d) the total or partial inability to receive, send, access or use Data for any time or at all,

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

### 9. Defamation

for libel and slander:

- a) resulting from statements made prior to the commencement of the Period of Cover,
- b) resulting from statements made at Your direction with knowledge that such statements are false,

- c) incurred by You if Your Business is advertising, broadcasting, publishing or telecasting.

### 10. Employers liability

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

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

- b) Imposed by:

- i) the provisions of any industrial award or agreement or determination or any contract of employment or workplace agreement where such liability would not have been imposed in the absence of such industrial award or agreement or determination or contract of employment or workplace agreement,
  - ii) any law relating to Employment Practices.
- c) For the purpose of exclusions 9a) and 9b):
    - i) the term 'worker' means any person deemed to be employed by You pursuant to any Workers Compensation Law. Voluntary workers, secondees and work experience students (if any) shall not be deemed to be Your Employees,
    - ii) the term 'bodily injury' means bodily injury, death, sickness, disease, illness, disability, shock, fright, mental anguish and/or mental injury, including loss of consortium or services resulting therefrom.

### 11. Faulty workmanship

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

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

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

### 13. Genetically modified or engineered organisms (GMO)

for Personal Injury, Property Damage (including loss of use of property) or Advertising Injury directly or indirectly caused by or arising out of the manufacture, importing, growing, blending, mixing or distributing of Genetically Modified or Engineered Organisms (GMO).

For the purpose of this exclusion, a Genetically Modified or

## Public and Products Liability

Engineered Organism is defined to be a living plant, animal or microbe that has been altered by the addition or modification of a gene through the process of genetic engineering and contains genes or portions of genes from unrelated organisms.

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

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

But this exclusion does not apply to:

- c) Personal Injury and/or Property Damage and/or Advertising Injury,
- d) liability which arises irrespective of the involvement of Your internet operations.

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

### 15. Liquidated damages

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

### 16. Loss of use

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

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

### 17. Pollutants

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

Provided that, with respect to any such liability which may be incurred anywhere other than North America, Exclusions 17a) and 17b) shall not apply where such discharge, dispersal, release or escape is caused by a sudden, identifiable, unintended and unexpected event from Your standpoint which takes place in its entirety at a specific time and place.

### 18. Property in Your physical or legal control

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

### 19. Property owned by You

for Property Damage to property owned by You.

### 20. Product guarantee

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

### 21. Product recall

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

### 22. TSE

for Personal Injury, Property Damage (including loss of use of property) or Advertising Injury directly or indirectly caused by or arising out of Transmissible Spongiform Encephalopathy (TSE) including but not limited to Bovine Spongiform Encephalopathy (BSE) or new Variant Creutzfeldt-Jakob Disease (VCJD).

This Exclusion applies regardless of any other contributing or aggravating cause or event.

## Public and Products Liability



### 23. Vehicles

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

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

but exclusions a) and b) shall not apply in relation to Property Damage:

1. where
  - i) that compulsory liability insurance or statutory indemnity does not provide indemnity, and
  - ii) the reason or reasons why that compulsory liability or statutory indemnity does not provide indemnity do not involve a breach by You of legislation relating to Vehicles,
2. any Vehicle (including any tool or plant forming part of or attached to or used in connection with such Vehicle) whilst being operated or used by You or on Your behalf as a Tool of Trade at Your premises or on any Work Site,
3. the delivery or collection of goods to or from any Vehicle,
4. the loading or unloading of any Vehicle,
5. any Vehicle temporarily in Your custody or control for the purpose of parking,
6. caused by or arising out of the movement of any Vehicle (which is required to be Conditionally Registered in accordance with the law of any State or Territory in Australia) in the event of Your inadvertent and unintentional failure to effect Conditional Registration.

### 24. Watercraft

for Personal Injury and/or Property Damage arising from the ownership, maintenance, operation or use by You of any Watercraft exceeding ten (10) metres in length.

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

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

### CONDITIONS

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

You shall give:

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

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

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

#### 3. Our rights regarding claims

- a) We may take over and conduct the defence or settlement of any claim or issue legal proceedings for damages. If We do this We will do it in Your name. We have full discretion in the conduct of any legal proceedings and in the settlement of any claim. You must co-operate by giving Us any statements, documents or assistance We require. This may include giving evidence in any legal proceedings,
- b) We may at any time pay to You, in respect of all claims against You arising directly or indirectly from one source or original cause:
  - i) the amount of the Limit of Liability or such other amount specified in respect thereof (after deduction of any sum(s) already paid by Us, which sum(s) would reduce the amount of Our unfulfilled liability in respect thereof), or
  - ii) any lesser sum for which the claim(s) can be settled.

## Public and Products Liability

- c) Upon making such payment, We shall relinquish conduct and control of, and be under no further liability under this Policy in connection with, such claim(s) except for defence costs and supplementary payments:
- recoverable from You in respect of the period prior to the date of such payment (whether or not pursuant to an order made subsequently), or
  - incurred by Us, or by You with Our written consent, prior to the date of such payment.

#### 4. Cross liabilities

This insurance extends to indemnify:

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

In particular, but without limiting the foregoing, this insurance shall indemnify each of the parties described in clauses 1 and 2 of 'Cross liabilities' in respect of claims made by any other of such parties.

Provided always that:

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

#### 5. Inspection and audit

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

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

#### 6. Release

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

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

#### 7. Subrogation and allocation of the proceeds of recoveries

Subject to condition 9 'Subrogation Waiver', any corporation, organisation or person claiming under this insurance shall, at our request and at Our expense, do and concur in doing and permit to be done all such acts and things that may be necessary or may reasonably be required by Us for the purpose of enforcing any rights and remedies, or for obtaining relief or indemnity from any other organisation(s) or person(s), to which We shall be or would become entitled upon Us paying for or indemnifying You in respect of legal liability under this cover section of the Policy.

Should You incur any legal liability which is not covered by this cover section of the Policy:

- due to the application of an excess, and/or
- where the amounts of any judgments or settlements exceed the applicable Limit of Liability,

You will be entitled to the first call on the proceeds of all recoveries made, by either You or Us, on account of such legal liability until fully reimbursed for such uninsured amount or amounts (less the actual costs of making such recoveries where those costs are incurred by Us) and any remaining amount(s) will be applied to reimburse Us.

#### 8. Subrogation Waiver

Notwithstanding condition 9, We hereby agree to waive all Our rights of subrogation under this Policy against:

- each of the parties described as an Insured,
- any corporation, organisation or person which or who owns or controls the majority of the capital stock of any corporation or organisation to which or to whom protection is afforded under this cover section of the Policy.

Where such corporation, organisation or person is protected from liability insured against hereunder by any other policy of indemnity or insurance, Our right of subrogation is not waived to the extent and up to the amount of such other policy.

## Public and Products Liability

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#### DEFINITIONS

**"Advertising Injury"** means injury arising out of:

- defamation, or
- any breach of the misleading or deceptive conduct provisions of the Competition and Consumer Act 2010(Cth) or any Fair Trading or similar legislation of any country, state or territory, or
- any infringement of copyright or passing off of title or slogan, or
- unfair competition, piracy, misappropriation of advertising ideas or style of doing business, or
- invasion of privacy,

committed or alleged to have been committed during the Period of Cover in any advertisement, publicity article, broadcast or telecast and caused by or arising out of Your advertising activities.

**"Business"** means (for the purposes of this cover section only) the business as described in the Schedule (or as further described in any more specific underwriting information provided to Us at the time when this insurance was proposed to Us or at the time of any renewal of this Policy) and shall also include:

- the ownership of premises and/or the tenancy thereof by You,
- participation in any exhibition by You or on Your behalf,
- the hire or loan of plant and/or equipment to other parties,
- conducted tours of Your premises,
- the provision of any sponsorships, charities, galas, first aid, medical, ambulance or fire fighting service by You or on Your behalf,
- private work undertaken by Your Employees for any of Your directors, partners, proprietors, officers or executives,
- the provision of any canteen, social and/or sporting clubs or welfare and/or child care facilities by You or on Your behalf, which are primarily for the benefit of Your Employees.

**"Compensation"** means monies paid or agreed to be paid by judgment, award or settlement in respect of Personal Injury and/or Property Damage and/or Advertising Injury. Provided that such Compensation is only payable in respect of an Occurrence to which this insurance applies.

**"Employment Practices"** means any wrongful or unfair dismissal, denial of natural justice, defamation, misleading representation or advertising, harassment or discrimination in respect of Your Employees.

**"Excess"** means the first amount of each claim or series of claims, arising out of any one Occurrence, for which You are responsible.

The Excess applicable to this insurance appears in the Schedule. The Excess applies to all amounts for which We will be liable, including the indemnity provided by Defence Costs and Supplementary Payments.

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

**"Geographical Limit"** means:

- anywhere in the World except North America,
- North America but only with respect to:
  - overseas business visits by any of Your directors, partners, officers, executives or Employees, who are non-resident in North America but not where they perform manual work in North America,
  - Products exported to North America without Your knowledge.

**"Incidental Contracts"** means:

- any written rental agreement or lease of real or personal property other than with respect to any term or condition contained in such rental, lease and/or hiring agreement that requires You to insure such Property,
- any written contract with any authority or entity responsible for the supply of electricity, fuel, gas, natural gas, air, steam, water, sewerage reticulation control systems, waste disposal facilities, telephone and communication services or other essential services, except those contracts in connection with work done for such authorities or entities,
- any written contract with any railway authority for the loading, unloading and/or transport of Products, including contracts relating to the operation of railway sidings,
- those contracts designated in the Schedule.

**"Medical Persons"** means includes but is not limited to medical practitioners, medical nurses, dentists and first aid attendants.

## Public and Products Liability

### “Named Insured” means:

- a) the person(s), corporations and/or other organisations specified in the Schedule,
- b) all existing subsidiary and/or controlled corporations (including subsidiaries thereof) of the Named Insured incorporated in the Commonwealth of Australia and/or any other organisations under the control of the Named Insured,
- c) all subsidiary and/or controlled corporations (including subsidiaries thereof) of the Named Insured and/or any other organisations under the control of the Named Insured incorporated in the Commonwealth of Australia and which are constituted or acquired by the Insured after the commencement of the Period of Cover,
- d) every subsidiary and/or controlled corporation and/or other organisation of the Named Insured which is divested during the Period of Cover, but only in respect of claims made against such divested subsidiary, related or controlled corporation or organisation caused by or arising out of Occurrences insured against by this Policy, which occurred prior to the divestment.

### “North America” means:

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

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

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

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

### “Personal Injury” means:

- a) bodily injury, death, sickness, disease, illness, disability, shock, fright, mental anguish and/or mental injury, including loss of consortium or services resulting therefrom,
- b) false arrest, false imprisonment, wrongful detention, malicious prosecution or humiliation,
- c) wrongful entry or wrongful eviction,
- d) defamation or invasion of privacy, unless arising out of Advertising Injury,
- e) assault and battery not committed by You or at Your direction, unless committed for the purpose of preventing or eliminating danger to persons or property,
- f) discrimination as a result of race, religion, sex, marital status, age, intellectual impairment, disability or otherwise (unless insurance thereof is prohibited by law) not committed by You or at Your direction, but only with respect to liability other than fines and penalties imposed by law.

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

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

Provided always that for the purpose of this insurance the term ‘Products’ shall not be deemed to include:

- a) food and beverages supplied by You or on Your behalf primarily to Your Employees as a staff benefit,
- b) any vending machine or any other property rented to or located for use of others but not sold by You, and any claims made against You in respect of Personal Injury and/or Property Damage arising out of any Occurrence in connection therewith shall be regarded as General Liability claims hereunder.

## Public and Products Liability

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

### “Property Damage” means:

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

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

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

“You”, “Your” and “Insured” means the person(s), companies or firms named on the current Schedule as the ‘Insured’.

Each of the following is an Insured to the extent specified below:

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

- d) every principal in respect of the principal’s liability arising out of:
  - i) the performance by or on behalf of the Named Insured of any contract or agreement for the performance of work for such principal, but only to the extent required by such contract or agreement and in any event only for such coverage and limits of liability as are provided by this cover section of the Policy,
  - ii) any Products sold or supplied by the Named Insured, but only in respect of the Named Insured’s own acts or omissions in connection with such Products and in any event only for such coverage and limits of liability as are provided by this cover section of the Policy,
- e) every person, corporation, organisation, trustee or estate to whom or to which the Named Insured is obligated by reason of law, (whether written or implied) to provide insurance such as is afforded by this Policy, but only to the extent required by such law, and in any event only for such coverage and limits of liability as are provided by this Policy,
- f) every officer, member, Employee or voluntary helper of the Named Insured’s canteen, social and/or sporting clubs, first aid, medical, ambulance or fire-fighting services, charities, welfare and/or child care facilities, while acting in their respective capacities as such,
- g) any director, partner, proprietor, officer or executive of the Named Insured in respect of private work undertaken by the Named Insured’s Employees for such person and any Employee whilst actually undertaking such work,
- h) the estates, legal representatives, heirs or assigns of:
  - i) any deceased or insolvent persons, or
  - ii) persons who are unable to manage their own affairs by reason of mental disorder or incapacity, who would otherwise be indemnified by this cover section of the Policy, but only in respect of liability incurred by such persons as described in clauses hi) and h ii) above,
  - i) every party including joint venture companies and partnerships to whom the Named Insured is obligated by virtue of any contract or agreement to provide insurance such as is afforded by this cover section of the Policy; but only to the extent required by such contract or agreement and in any event only for such coverage and limits of liability as are provided by this cover section of the Policy.

# Transit

## ABOUT THIS COVER SECTION

This cover section forms part of the Policy only if shown in the Schedule as having been taken by You.

## YOUR INSURANCE UNDER THIS COVER SECTION

We will indemnify You in respect of damage to Property Insured, whilst it is in Transit within Australian territories.

## WHAT WE PAY

1. Property Insured

The Basis of Settlement for Property Insured is Stock value, plus freight and other incidental costs.

## ADDITIONAL BENEFITS

Cover provided under this cover section is extended to include the following additional benefits.

### 1. On forwarding and transfer

Where Damage to Business Property, which occurs during the Period of Cover, is the result of:

- a) an Event,
- b) a collision involving, or overturning or derailment of the Conveyance,

We will cover You for the reasonable costs incurred for transferring, storing and/or forwarding Business Property to a suitable place.

The most We will pay under this additional benefit is limited to 15% of the Sum Insured for this section or \$25,000, whichever is the lesser, for any one Loss.

### 2. Removal of debris

Where a claim is payable under this section, We will also pay the reasonable costs incurred to remove, transport and dispose of Business Property that is subject to the claim, provided that You are legally obliged to bear such costs.

The most We will pay under this additional benefit is limited to 15% of the Sum Insured for this section or \$25,000, whichever is the lesser, for any one Loss.

## COVER SECTION EXCLUSIONS

We will not pay for Damage:

- a) to Refrigerated Stock, arising from any variation in temperature, unless the variation in temperature is directly caused by:
  - i) fire, explosion or Flood,
  - ii) collision, jack-knifing, overturning or derailment of the Conveyance,
  - iii) crashing or forced landing of the conveying Aircraft,
  - iv) Breakdown resulting in stoppage or malfunction of refrigerating machinery and the subsequent failure to perform its normal refrigeration cycle for more than four (4) consecutive hours,
- b) to Business Property sent by post, unless by registered post,
- c) caused by ordinary leakage, ordinary loss in weight or volume,
- d) that arises as a result of Business Property being worked upon,
- e) to Business Property caused by electronic, electrical or mechanical failure except where such failure occurs to the Conveyance,
- f) arising from Theft of Business Property if the Conveyance, Building, Situation, warehouse or place of storage used during the Transit is not securely locked when unattended,
- g) arising from insufficiency or unsuitability of packing, preparation or stowage of the Business Property by You or Your Employees,
- h) arising from unfitness of any Conveyance or Packaging for the safe carriage of the Business Property,
  - i) as a result of unexplained shortage or disappearance,
  - j) arising from delay, loss of market, depreciation, deterioration or any other consequential cause or loss or profit, except as may be provided by any additional benefit of this section.

# Transit

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## COVER SECTION CONDITIONS

### 1. Benefit of insurance

The carrier or any other bailee of the Business Property cannot claim any benefit under this cover section.

### 2. Claims procedure

In addition to 8. Claims procedure of the General Provisions of the Policy, You must also:

- a) ensure that delivered containers and seals are examined immediately by a responsible official of the receiver. If the container is delivered damaged or with seals broken or missing or with seals other than stated in the shipping documents, note the delivery docket accordingly and retain all defective or irregular seals for subsequent identification,
- b) If the damage was not immediately apparent at the time of delivery, apply immediately for surveys to be performed by the carrier or other person who had charge of the Business Property to be conducted within three (3) days of delivery.

Any admissible claim under this cover section will not be prejudiced where packages containing Business Property, excluding shipping containers, are not opened and unpacked immediately upon receipt into store, and Damage is only discovered by You when the packages are opened or unpacked, provided that the Damage has been discovered not later than ninety (90) days after the receipt of packages by the receiver.

### 3. General average and salvage clause

If Your Business Property is being transported by sea between Australian ports and General Average is declared, We insure Your proportion of the General Average and/or salvage contribution irrespective of the amount insured being less than the contributory value, subject always to the Limit stated in the Schedule.

In the event of a General Average contribution arising under this cover section, contact Us before signing any General Average bond.

### 4. Pairs and sets

In respect of a claim payable under this cover section, where any Business Property consists of articles in a pair or set, We will not pay more than the value of any particular article(s) of the pair or set which may be damaged without reference to any special value which such article or articles may have as part of such pair or set, nor more than a proportionate part of such pair or set.

## DEFINITIONS

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

**“Conveyance”** means the Aircraft, train, Vehicle, vessel or Watercraft by which Business Property is being transported.

**“General Average”** means any extraordinary sacrifice or expenditure that is voluntarily and reasonably made or incurred for the purpose of preserving property at risk in a Sea voyage.

**“Transit”** means the time during the Period of Cover from when Business Property first begins loading at the warehouse, Situation or place of storage on or in to the Conveyance and continues through the ordinary course of transit, until the Business Property is first placed inside the receiver’s warehouse, Situation or place of storage.

# Management Liability Cover Section

## ABOUT THIS POLICY SECTION

Your Policy Schedule will show whether You have selected this Policy Section.

### Important Information:

There are four Coverage Parts within this policy section:

Coverage Part 1 - Directors & Officers Liability

Coverage Part 2 - Employment Practices Liability

Coverage Part 3 - Statutory Liability

Coverage Part 4 - Company Liability

Your Policy Schedule will indicate which Coverage Parts You have selected.

## GENERAL PROVISIONS

### A. GENERAL DEFINITIONS

The following definitions apply to all Coverage Parts of this policy section:

**“Acquitted by a Court”** means dismissal of charges prior to a hearing or, upon completion of a defended hearing of a prosecution of an Insured, the delivery by a presiding judge of either: a dismissal of the charges at the conclusion of the prosecution case, or a verdict of Not Guilty at the conclusion of the defended hearing (but shall not include a dismissal pursuant to a plea bargain).

**“Act of Parliament”** means any Act of any parliament or legislative assembly of New Zealand or the Commonwealth of Australia or of any Australian State or Territory, including any amendments, enactments or Statutory Regulations of such Act.

**“Asbestos”** shall mean crocidolite, amosite, chrysotile, fibrous actinolite, fibrous anthophyllite, or fibrous tremolite or any mixture or derivative containing any of those minerals, or dust, fibres or particles of any of those materials.

**“Associated Company”** means any entity in which You own, at the time the Wrongful Act occurred, either directly or indirectly, between 10% and 50% inclusive of the outstanding securities representing the present right to vote for the election of Directors.

**“Bail and Civil Bond Expenses”** means the premium (but not collateral) for a bond or other financial instrument to guarantee the contingent obligation of Your People for a specified amount required by a court hearing a Claim.

**“Circumstance”** means an incident, occurrence, fact, matter, act or omission which might be reasonably expected to give rise to a Loss under this policy section.

**“Claim”** means the definition set out in the individual Coverage Part of this policy section under which an indemnity is sought.

**“Coverage Part”** means one of the four divisions within this policy section, comprising: Coverage Part 1 - Directors & Officers Liability; Coverage Part 2 - Employment Practices Liability; Coverage Part 3 - Statutory Liability; Coverage Part 4 – Company Liability.

**“Cyber Attack”** means any unauthorised instructions that are designed to alter, modify, destroy, damage, delete, record, transmit or contaminate information, computer programmes or data within Your Company's internet website, intranet or computer network by a Hacker.

**“Defence Costs”** means that part of Loss consisting of reasonable costs, charges, fees and expenses (including but not limited to lawyers' fees, investigators' fees and experts' fees) incurred or agreed by Us in the investigation, defence or settlement of a Claim.

Defence Costs shall not include any regular salaries, wages, overtime, fees or benefits of any of Your People.

**“Director”** means

- any person who is a past, present or future Director, officer, member of the board of managers, management board member, management committee member, supervisory board member, governor or trustee of Your Company; and or
- any natural person who is a past, present or future Director of a corporate trustee of a Stand Alone Superannuation Fund.

**“Discovered”** means the moment in which any partner, Director or officer, senior manager or equivalent position, not in collusion with any person(s) suspected of a Wrongful Act, becomes aware of a Circumstance.

**“Discovery Period”** means the period after the end of the Period of Cover where the Insured may continue to notify Us of a Claim but only in relation to Wrongful Acts committed prior to or during the Period of Cover.

**“Emergency”** means a sudden state of danger which requires immediate action.

**“Employee”** means any person who is or was (or alleges that but for an Employment Related Wrongful Act would have been) a full-time, part-time or temporary person (including volunteers) working under a contract of service with Your Company and who Your Company has the right to govern and direct in their performance of such services. Employee does not mean any person who is an independent contractor or agent, partner or Director of Your Company.

**“Employment Related Wrongful Act”** means any actual or alleged breach of duty, error, act, omission, neglect or misleading statement by an Insured against Your People in connection with any wrongful, unlawful or unfair:

# Management Liability Cover Section

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- discharge or termination of employment, demotion, discipline, dismissal, deprivation of a career opportunity, failure to employ or promote;
- breach of any written or oral employment contract or quasi-employment contract;
- employment-related misrepresentation, invasion of privacy, breach of data protection legislation, humiliation and defamation;
- violation of employment discrimination laws (including sexual or other workplace harassment and discrimination on the grounds of racial or national origin, sex, sexual orientation, religion, maternity, pregnancy, age and disability);
- violation or non-compliance with legislation regulating working hours;
- failure to grant tenure, adopt adequate workplace or employment policies and procedures, furnish accurate job references;
- retaliatory treatment of whistleblowers and others;
- employment-related wrongful infliction of mental anguish or emotional distress.

**“Fidelity Loss”** means the ‘actual market value’ for the direct financial loss of an Insured Property caused by an Employee's or Director's fraud or dishonesty in the ordinary course of Your Business.

**“Financial Impairment”** means Your status resulting from the appointment by any governmental official, agency of court of any receiver, manager, liquidator (including a provisional liquidator), or similar official to take control of, supervise, manage or liquidate Your Company.

**“Hacker”** means anyone who illegally accesses Your Company's internet website, intranet or computer network by electronically circumventing the security systems in place to protect against such access.

**“ICA”** means *Insurance Contracts Act 1984* (Cth).

**“Insured”** means You and Your People.

**“Insured Property”** means the following which belong to, are leased by or in the care, custody and control of Your Company:

- local or foreign currency, coins, bank notes, bullion, cheques, postal orders and money orders; or
- tangible property not including buildings and its fixtures and fittings, petrol or petroleum products; or
- Securities.

**“Internet Liability”** means any actual or alleged:

- accidental and unintentional defamatory statement contained on Your Company's internet website, intranet or contained in emails sent by Your People; and or
- accidental and unintentional plagiarism, infringement of a copyright, trademark, trade name, trade dress, domain name; and/or
- accidental and unintentional breach of privacy or unauthorised collection of data concerning any of Your customers or potential customers; and/or
- Your Company's negligent transmission of a computer virus, worm, logic bomb or Trojan horse to any of Your customers who use Your internet website.

**“Interrelated Wrongful Acts”** means all Wrongful Acts that have in common any act, error, omission, fact, Circumstance, situation, event, transaction, cause or series of related acts, errors, omissions, facts, Circumstances, situations, events, transactions or causes.

**“Limit of Indemnity”** for the total period comprising of the Period of Cover and the Discovery Period means the following:

- where there is an aggregate limit for all Coverage Parts in force, Our maximum liability for each and every Loss and all Losses in the aggregate shall be the aggregate limit shown in the Policy Schedule;
- where there are individual limits for each Coverage Part, Our maximum liability for each Coverage Part for each and every Loss and all Losses in the aggregate for that Coverage Part shall be the individual limit shown against that Coverage Part in the Policy Schedule;
- notwithstanding any aggregate limit or individual limit, a sub-limit shown in this policy section restricts the amount payable for each and every Loss and all Losses to which the sub-limit applies;
- a sub-limit forms part of the aggregate limit or individual limit and is not an additional amount payable beyond the aggregate limit or individual limit.

**“Loss”** means the definition set out in the individual Coverage Part of this policy section under which an indemnity is sought.

**“Merger”** means the occurrence of:

- You consolidating, amalgamating or merging all or substantially all of Your assets into, to or with another entity or person or group of persons and/or entities acting in concert; or
- any person(s) and/or entity, whether individually or collectively, acquiring an amount of share capital representing more than fifty per cent (50%) of the voting power for the election of Directors of Your Company, or

# Management Liability Cover Section

acquiring the voting rights for such an amount of the shares.

**“Non-Profit Entity”** means any corporation, association, institution or foundation:

- a) not included in the definition of Your Company; and
- b) domiciled in Australia or New Zealand; and
- c) established for charitable, community, industry or social purposes, but not for the purpose of making profits.

**“Outside Position”** means the position of Director, officer, manager, trustee or other equivalent position held by any of Your People at Your written request in:

- a) any Non-Profit Entity or Associated Company; or
- b) any other entity for which Outside Positions cover is confirmed by the Policy Schedule.

**“Pollutants”** means any solid, liquid, gaseous or thermal irritant, or contaminant including smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste materials. ‘Waste material’ includes material to be recycled, reconditioned or reclaimed.

**“Pollution”** means the actual, alleged or threatened discharge, release, escape, seepage, migration or disposal of Pollutants into or on real or personal property, upon land, the atmosphere or any water course or body of water.

**“Proposal”** means all proposals, including attachments and materials submitted therewith, for this policy section or for any Policy of which this policy section is a renewal or replacement. All such proposals, attachments and materials are deemed attached to and incorporated into this policy section.

**“Securities Claim”** means any legal proceeding commenced against an Insured, alleging a violation of any country’s laws in relation to:

- a) the offering, sale, or listing of any Security; or
- b) shareholders’ interests in any Security.

**“Security”** shall mean shares, stock, bearer instruments, derivatives, bonds, warrants, debentures, rights under a depository receipt or other securities (or interests therein) of whatever nature.

**“Solicitor”** means any Solicitor, firm of Solicitors, barrister or Queen’s Counsel appointed to act for an Insured in relation to any Claim.

**“Spouse”** means any lawful Spouse, civil partner or person deriving a similar status by reason of statute or common law.

**“Stand Alone Superannuation Fund”** means a superannuation fund or pension fund established by Your Company under its own trust structure and either managed by Your Company or on its behalf. It does not include an

industry fund, a wholesale master trust, a retail master trust, a self-managed superannuation fund or public sector employees’ funds.

**“Statutory Fine”** means any civil fines and civil penalties liable on conviction of any offence under an Act of Parliament. Pecuniary penalties awarded in criminal proceedings but only in respect to Occupational Health and Safety legislation or Pollution legislation.

**“Subsidiary”** means any organisation in which You hold more than 50% of the voting rights of that organisation or have the ability to control decisions made by the board of Directors (whether directly or indirectly).

**“Tax Audit Costs”** means the reasonable and necessary professional fees, expenses and disbursements paid to accountants or registered tax agents for advising on and responding to an audit or investigation by a federal or state Commissioner of Taxation into Your liability to pay income tax, fringe benefits tax, capital gains tax, wholesale and sales tax, payroll tax, goods and services tax or superannuation contributions tax in respect to Your Business. Tax Audit Costs do not extend to include Defence Costs or the payment of any tax, or fine or penalty resulting from the failure to pay any tax.

**“Wrongful Act”** means the definition set out in the individual Coverage Part under which an indemnity is sought.

**“You” “Your” “Your Company”** means, individually and/or collectively, the organisation(s), company, partnership or sole trader named in the Policy Schedule and their Subsidiaries in existence at the inception date of the Period of Cover.

**“Your Business”** means all activities involved in the business, as specified in the Policy Schedule.

**“Your People”** means:

- a) any one or more natural persons who were, now are or will be a Director, secretary, officer, or Employee of Your Company; or any person who was or now is or may hereafter become a trustee of a superannuation fund established for the benefit of the Employees of Your Company by whatever name called and whether or not validly appointed to occupy or duly authorised to act in such position;
- b) any person who by virtue of any applicable legislation or law is deemed to be a Director of Your Company.

Provided that the term Your People shall not include:

- i) any externally appointed officers such as administrators, receivers, statutory managers, liquidators, mortgagees in possession, or the like; or
- ii) any registered company or corporation.

# Management Liability Cover Section



## B. GENERAL EXTENSIONS

The following general extensions apply to all Coverage Parts of this policy section:

### 1. Acquisition of Your Company

- a) If during the Period of Cover:
  - i) You merge, or consolidate with another organisation or are taken-over; or
  - ii) another organisation, or person or group of organisations or persons acting in concert acquires Securities or voting rights that result in ownership or voting control by the other organisation or person of more than 50% of the voting rights of Your Company; or
  - iii) another organisation, or person or group of organisations or persons acting in concert secures the ability to control decisions made by the board of Directors of Your Company;

cover under this policy section continues until termination of the Period of Cover as set forth in the Policy Schedule to this policy section, but only in respect of Claims for Wrongful Acts taking place prior to such merger, consolidation, take-over, acquisition, or the ability to control the Board of Directors’ decisions. As of the effective date of such merger, consolidation, take-over, acquisition or the ability to control the Board of Directors’ decisions, all premiums paid or due at any time under this policy section are deemed fully earned and non-refundable.

- b) You agree to provide Us with written notice of such merger, consolidation, take-over, acquisition or ability to control the Board of Directors’ decisions as soon as practicable, together with such further information as We may subsequently request.

### 2. Acquisitions and Creations

- a) Subsidiaries created or acquired by You prior to the beginning of the Period of Cover shall have cover available to them under the terms of this policy section for Wrongful Acts committed or alleged to have been committed after the date the Subsidiary was created or acquired so long as Your Business as noted in the Policy Schedule remains unchanged in whole or part.
- b) Subsidiaries created or acquired by You after the beginning of and during the Period of Cover, either directly or indirectly through any existing Subsidiary, shall have cover automatically available to them under the terms of this policy section for Wrongful Acts committed or alleged to have been committed after such date the Subsidiary was created or acquired subject to the new

Subsidiary not being domiciled, registered or incorporated outside the Commonwealth of Australia, and not having any of its Securities listed on any exchange and subject to there being no changes in whole or part to Your Business as Your Business is noted the Policy Schedule.

- c) Subsidiaries created or acquired by You after the beginning of and during the Period of Cover which are excluded under (b) above may apply for extension of cover for such Subsidiaries. We will request any additional information required and if We accept them, We will provide terms and conditions, including any additional premium payable, which may be required to extend cover to these Subsidiaries. If We grant cover it will be extended via endorsement and only for Wrongful Acts committed or alleged to have been committed on or after We provide cover.

### 3. Compensation for Court Attendance

We will pay, a maximum of \$500 per day up to a total sub-limit of \$100,000 for Your People who are legally required to attend court as a witness in respect of a Claim covered by this policy section.

The sub-limit forms part of and is not in addition to the Limit of Indemnity.

### 4. Continuous Cover

If the Insured first becomes aware of a Circumstance prior to the Period of Cover and that Circumstance is not notified to Us until a date during the Period of Cover then;

- a) providing that the failure to notify such Circumstance was not as a result of fraudulent non-disclosure or fraudulent misrepresentation by the Insured; and
- b) subject to You having continuously held the relevant Coverage Part with Us between the time when the Insured first became aware of such Circumstance and the time of its notification; and
- c) subject to any reduction of liability by Us under this policy section to the extent of any prejudice suffered by Us as a result of the failure by the Insured to notify such Circumstance which may give rise to a Claim prior to the Period of Cover;

We will accept such Circumstance as a valid notification including any Claim arising from it and General Exclusion 9. Known Claims and Circumstances, shall not apply to that Circumstance.

### 5. Discovery Period

If this policy section is not renewed or replaced at the end of the Period of Cover the Insured may purchase a Discovery

## Management Liability Cover Section

Period of 84 months commencing from the end of the Period of Cover during which time the Insured may continue to notify Us of any Claims but only Claims based on a Wrongful Act committed prior to the expiry of the Period of Cover.

The Insured must request this Discovery Period in writing prior to the end of the Period of Cover. We will offer this Discovery Period at an additional premium and on such terms and conditions as We determine.

### 6. Estates and Legal Representatives

This policy section provides cover for Claims for the Wrongful Acts of Your People where those Claims are made against the estates, heirs or legal representatives of Your People who are deceased or against the legal representatives, trustees-in-bankruptcy, guardians or attorneys of Your People who are incompetent, infirm, disabled, insolvent or bankrupt, but only to the extent that in the absence of such death, incompetence, infirmity, disability, insolvency or bankruptcy, such Claims would have been covered under this policy section.

### 7. Preservation of Indemnity

If any of Your People are unable to obtain the full benefit of a right to indemnity against You to which he or she is entitled, by reason only of Your Company suffering Financial Impairment and having insufficient funds available so as to indemnify Your People, then it is hereby agreed that We shall indemnify Your People against Loss arising from any Claim, up to the annual Limit of Indemnity to the extent it has not been reduced by any current Claim or earlier Claim. The burden of adducing satisfactory proof to obtain the benefit of this extension shall rest entirely with Your People and shall include the production of documentary evidence of Your assets and liabilities and any official statements issued by the liquidator, receiver, statutory manager or compromise manager.

### 8. Public Relations & Crisis Management Costs

We will pay the costs and expenses of a public relations firm or crisis management firm in the event of a Circumstance, if such firm would:

- a) help to mitigate any Loss under this policy section; and/or
- b) assist in exonerating any Insured against an alleged Wrongful Act in the event of a Claim.

This extension is subject to:

- a) no costs or expenses being incurred without Our prior written consent; and
- b) Our being reasonably satisfied that any expenditure with such a firm will be more than proportionately offset by reduced Claims costs to Us; and
- c) an annual aggregate sub-limit of \$100,000 across all Coverage Parts of this policy section.

### 9. Your Previous Subsidiaries

Subsidiaries sold or dissolved by You after the beginning of the Period of Cover shall have cover available to them under the terms of this policy section for Wrongful Acts committed or alleged to have been committed prior to the date of sale or dissolution.

### C. GENERAL CONDITIONS

The following general conditions apply to all Coverage Parts of this policy section:

#### 1. Alteration and Assignment Clause

No change in, modification of or assignment of interest under this policy section will be effective except when made by a written endorsement to this policy section which is signed by Us or Our authorised representative.

#### 2. Authorisation Clause

By the taking out of this policy section, You agree to act on behalf of the other Insureds and the other Insureds agree that You may act on their behalf in respect of:

- a) the giving and receiving of notice of a Claim or termination;
- b) the payment of premiums and the receiving of any return premiums that may become due under this policy section;
- c) the agreement to and acceptance of endorsements; and
- d) the giving or receiving of any notice provided for in this policy section except the giving of notice to apply for the Discovery Period.

#### 3. Breach of Conditions

Where any Insured breaches any condition of this policy section and this has resulted in prejudice to the handling and/or settlement of any Claim, which in all other respects qualifies to be indemnified under this policy section, the indemnity afforded by this policy section in respect of such Claim shall be reduced to such sum as would have been payable by Us in the absence of such prejudice.

#### 4. Claims and the Limit of Indemnity

- a) All Claims made during the Period of Cover are subject to the Limit of Indemnity set out in the Policy Schedule for that Period of Cover.
- b) A Claim is deemed to be first made on the date the Claim is initially made against any Insured, regardless of whether such date is before or during the Period of Cover.
- c) For the purposes of this policy section, all Claims arising out of the same Wrongful Act and all Interrelated Wrongful Acts of any Insured will be deemed one Claim.

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### 5. Continuing Representations

In granting cover under this policy section, We relied upon the statements and representations in the Proposal. The Insured represents that all such statements and representations including but not limited to the correctness of what is stated to be 'Your Business' as noted in the Policy Schedule will continue to be true and the continuing accuracy of these statements is deemed material to the acceptance of the risk or the hazard assumed by Us under this policy section.

Notwithstanding what is stated above, any act, error, omission, breach, default or knowledge of any Director or officer will not be imputed to any Insured for the purposes of a statement or representation made in the Proposal.

### 6. Coverage Parts

The terms and conditions of each Coverage Part of this policy section apply only to that Coverage Part and shall not apply to any other Coverage Part. Each Coverage Part should be read in conjunction with the General Provisions of this policy section. Should there be inconsistency between the General Provisions of this policy section and the terms set in this policy section and each specific Coverage Part, the terms and conditions of the specific Coverage Part shall prevail.

### 7. Fraudulent Claims

If any Insured, being entitled to indemnity under this policy section, makes any application for indemnity under this policy section, knowing that such application for indemnity is false or fraudulent, We may refuse payment of the Claim and may cancel the contract in accordance with the ICA.

### 8. Interpretation of Words

The singular includes references to the plural and vice versa and any gender includes reference to all other genders.

### 9. Non-Fraudulent Non-Disclosure

The Insured acknowledges that the information provided to Us in their Proposal for insurance is relied upon by Us in assessing whether to accept the risk and if so, on what terms. The Insured also acknowledges that in the event of a non-fraudulent, non-disclosure in the Proposal of a matter the Insured knows or a reasonable person in the circumstances would know is relevant to Our decision whether to accept the risk and on what terms, We are entitled to cancel the contract, if a Claim has not been made. Notwithstanding Our right to avoid the policy section for such non-disclosure, We may, in Our absolute discretion, waive Our right to cancel the policy section and confirm indemnity to Your People.

### 10. Severability and Non-Imputation

In determining cover for Claims against Your People, no fact pertaining to, nor knowledge possessed by, nor any Wrongful Act committed by one of Your People will be imputed to any other of Your People.

### D. GENERAL CLAIMS CONDITIONS

The following general claims conditions apply to this policy section:

#### 1. Allocation

- a) If in any Claim, the Insured incur Loss jointly with others, or incur in relation to a Claim an amount consisting of both Loss covered by this policy section and Loss not covered by this policy section, then We and the Insured will allocate such amount between covered Loss and uncovered Loss based upon Our assessment of which parts of the amount fall in and which fall outside the policy section's cover.
- b) If We and the Insured against whom a Claim is made agree on the allocation of Defence Costs in respect of Loss covered by this policy section and Loss not covered by this policy section, We will advance on a current basis Defence Costs allocated to covered Loss. If there is no agreement on an allocation of Defence Costs, We will advance on a current basis Defence Costs that We believe to be covered under this policy section until a different allocation is agreed, or it is judicially determined.
- c) Any agreed, or judicially determined allocation of Defence Costs on account of a Claim will be applied retrospectively to all Defence Costs on account of such Claim, notwithstanding any prior advancement to the contrary. Any allocation or advancement of Defence Costs on account of a Claim will not apply to, or create any presumption or admission in respect of the allocation of other Loss on account of such Claim or any other Claim.

#### 2. Defence and Settlement

- a) Unless otherwise agreed by Us in writing, We have the right to investigate any Circumstance and the right, but not the obligation, to conduct in the name of the Insured any investigation and conduct the defence or settlement of any Claim. This right shall cease on the exhaustion of the Limit of Indemnity.
- b) The Insured agree not to settle or offer to settle any Claim, incur any Defence Costs or otherwise assume any contractual obligation or admit any liability with respect to any Claim without Our prior written consent. We will not be liable for any settlement, Defence Costs, assumed obligation or admission to which We have not so consented to in writing.



## Management Liability Cover Section

- c) The Insured agree to provide Us with all information, assistance and co-operation We reasonably request. Further, the Insured agree that in the event of a Claim, they will do nothing that may prejudice either the Insured's or Our position or any potential or actual rights of recovery. Should the handling or settlement of any Claim be prejudiced by the Insured's actions, the amount payable in respect of such Claim (including costs and expenses) shall be reduced to reflect such prejudice.
- d) We may settle any Claim for any amount that We deem reasonable and the Insured shall consent to such settlement and provide any assistance with the resolution of the Claim that we reasonably require. If the Insured withholds consent to such settlement or declines to provide the assistance We require, Our liability for all Loss on account of such Claim will not exceed the amount for which We could have settled such Claim plus Defence Costs accrued as of the date such settlement was proposed in writing by Us to the Insured.
- e) The Insured will not unreasonably withhold any consent referred to in this general claims condition.

### 3. Defence Costs

- a) Defence Costs are part of and not in addition to the Limit of Indemnity set forth in the Policy Schedule and any Defence Costs paid by Us reduce the available Limit of Indemnity.
- b) Subject to Claims Condition 1. Allocation, We will advance on behalf of the Insured, Defence Costs that they have incurred in connection with Claims made against them, prior to settlement of such Claims. Provided that to the extent it is finally established by judgment, settlement or other final adjudication that any such Defence Costs are not covered under this policy section, all Insured severally according to their interests, agree to repay to Us such Defence Costs.
- c) We will indemnify the Insured for Defence Costs arising out of any criminal prosecution in which they are Acquitted by a Court, provided that:
- no Defence Costs other than those incurred with Our prior written consent shall be payable under this extension; and
  - We shall not be under any obligation to advance Defence Costs as they are incurred, but may advance Defence Costs in amounts and at times as We in Our sole and absolute discretion determine; and
  - the Insured, according to their respective interests, shall repay any payments advanced by Us in the event that they are not entitled to such payment under this policy section.

- d) Notwithstanding 3. c) i) and ii) above, if in the event of an Emergency Our written consent cannot be reasonably obtained by the Insured, the Insured have the right to incur up to \$30,000 in Defence Costs for a period of 30 days immediately following the date of such Emergency. The Insured, according to their respective interests, shall repay any payments advanced by Us in the event that they are not entitled to such payment under this policy section.

### 4. Insured's Right to Contest Claims

If the Insured does not agree with a decision made by Us to settle a Claim, the Insured can elect to contest the Claim at its own expense but Our liability will not exceed the amount for which the Claim should be settled in the opinion of a Senior Counsel appointed under Claims Condition 9. Senior Counsel. We shall pay all Defence Costs incurred up to the date the Insured notifies Us in writing of its election under this clause, and shall pay the Insured (subject to the Limit of Indemnity and the Excess) the amount for which the Claim should be so settled. The Insured expressly agrees that Our liability in respect of such Claim shall then be at an end. If We believe that the Claim will not exceed the Excess, We may instruct the Insured to conduct the investigation, defence and settlement at their own expense. Should the Claim subsequently exceed the Excess, We agree to reimburse the reasonable Defence Costs incurred by the Insured in excess of the Excess, or pay on their behalf any additional Defence Costs, but not exceeding the lesser of the amount Senior Counsel advised the matter should be settled for or the Limit of Indemnity.

### 5. Order of Payment

Where You have an overall annual single aggregate Limit of Indemnity for this policy section and have a Claim which is covered by one or more Coverage Parts, We will:

- firstly pay Loss due under Coverage Part 1 – Directors' and Officers Liability, B. 1. Individual Cover;
- then pay Loss under any other applicable Coverage Parts.

### 6. Other Insurance

Upon giving notice of any Claim the Insured agrees to provide Us with written details of any other insurance or source of indemnification that may cover or partially cover that Claim.

### 7. Recoveries

We agree not to exercise Our rights of recovery against an Insured, save where General Claims Condition 2. b) applies. All recoveries obtained by the Insured from parties other than an Insured, after the settlement or resolution of a Claim and after deducting the reasonable cost of obtaining such recovery,

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shall be applied in the following order:

- first to the benefit of the Insured, where the Insured has contributed to a payment exceeding the Limit of Indemnity made to resolve the Claim up to the amount of that payment;
- then to Our benefit for the amount We paid to resolve the Claim;
- then to the benefit of the Insured for the Excess paid in respect of the Claim;
- then to the benefit of the Insured for any uninsured losses; and
- then to Our benefit in respect of any administrative costs connected with the Claim.

All recoveries made prior to settlement of any Claim shall be held by You or the lawyer appointed to act for Our benefit pending any settlement. The monies shall not be applied to You or Us in the order set out above until the matter has been fully resolved and all costs and expenses have been ascertained.

### 8. Reporting and Notification

- a) The Insured, will give Us written notice of any Claim made against the Insured, or any Fidelity Loss or any Tax Audit Costs as soon as practicable during the Period of Cover or during any applicable Discovery Period to:

Liability Claims  
Lumley Insurance  
GPO Box 524  
Queensland 4001  
and/or to:  
casualtyclaims@lumley.com.au

- b) Full details of the Claim (including any Writ, Summons or other legal document) shall be provided with the notice, which must be forwarded to Us and the Insured shall provide Us with such further information, documentation and co-operation as We may reasonably require.

### 9. Senior Counsel

We shall not require the Insured to defend any legal proceedings in respect of any Claim against them, nor shall the Insured be able to require Us to defend, on its behalf, any legal proceedings in respect of any such Claim, unless a Senior Counsel (to be mutually agreed upon by the Insured and Us and in default by the chairman of the bar association of the state in which the policy section is issued) shall advise that such proceedings should be defended. In formulating such advice, the Senior Counsel shall take into consideration the economics of the matter, the damages and costs that are likely to be recovered by the claimant, the likely Defence Costs and the prospects of the Insured successfully defending the action.

The cost of the Senior Counsel's opinion shall be regarded as part of the Defence Costs of any Claim. In the event that the Senior Counsel advises that, having regard to all the circumstances, the matter should not be defended but should be settled, provided that settlement can be achieved within certain limits that in the Senior Counsel's opinion are reasonable, then the Insured shall co-operate with Us to try to effect such settlement in accordance with this policy section. Should the Insured decide to defend such a Claim, Our liability shall not exceed the amount which the matter could have been resolved for in the advice of the Senior Counsel.

### 10. Subrogation

We shall be subrogated to the Insured's rights of recovery to the extent of any payment made under this policy section. Each Insured agrees to do everything necessary to secure and preserve such rights, including the execution of such documents as are necessary to enable Us to bring proceedings in the name of the Insured.

### E. EXCLUSIONS

The General Exclusions to this Policy apply to this policy section.

In addition to the General Exclusions to the Policy, the following exclusions apply to all Coverage Parts of this policy section:

We will not be liable for Loss:

#### 1. Asbestos

directly or indirectly caused by, in consequence of, or contributed to by, or arising from or in anyway connected to asbestos, asbestos fibres or derivatives of asbestos.

#### 2. Bodily Injury and Property Damage

for any bodily injury, mental anguish, emotional distress, sickness, disease or death of any person, or for damage to or destruction of any tangible property including loss of use thereof except that:

- this exclusion does not apply in respect of: any liability for actual or alleged mental anguish, emotional distress in any Claim by Your People for any Employment Related Wrongful Act in Coverage Parts 1 – Directors and Officers Liability and Coverage Part 2 – Employment Practices Liability;
- We will pay, on behalf of Your People, Defence Costs arising from any Claim first made against them and notified to Us during the Period of Cover involving criminal proceedings for corporate killing or corporate manslaughter provided such payments are not contrary to law; and
- this exclusion does not apply to any Occupational Health

## Management Liability Cover Section

and Safety coverage afforded under Coverage Part 1 – Directors and Officers Liability and Coverage Part 3 – Statutory Liability.

### 3. Cyber Attack

directly or indirectly caused by, arising from or in anyway connected to a Cyber Attack.

### 4. Damages

- a) for the payment of any tax, including any fine or penalty, resulting from the failure to pay any tax; or
- b) which consists of punitive, exemplary or aggravated damages; or
- c) in respect of which it is illegal to insure or indemnify; or
- d) damages which are a multiple proportion of any lesser damages award.

### 5. Franchise Liability

directly or indirectly caused by, arising from or in anyway connected to any franchise agreement or the absence of a franchise agreement.

### 6. Fraud

for any dishonest, malicious or fraudulent act or omission or any wilful violation of any statute or regulation if a judgment or other final adjudication adverse to any Insured establishes that such Insured committed such an act, omission or wilful violation.

This Exclusion 6 does not apply to Coverage Part 4 – Company Liability, Extension 1. Fidelity Loss.

### 7. Insolvency

arising directly or indirectly out of, or attributable to or in any way connected to the Financial Impairment, bankruptcy, insolvency, receivership or administration of Your Company. However, this exclusion shall not apply under Coverage Part 1 – Directors & Officers Liability, C) Extension 3. Directors Tax Liability.

### 8. Jurisdiction

brought in a court or tribunal outside of the Commonwealth of Australia or New Zealand; or any liability arising from the application by an Australian or New Zealand court or tribunal of any foreign law.

### 9. Known Claims and Circumstances

- a) made against or intimated to the Insured prior to the commencement of the Period of Cover; or
- b) notified under any previous policy of insurance; or
- c) arising out of or connected with any facts or Circumstances which a Director or officer of Your Company became aware of prior to the commencement of the Period of Cover and a reasonable person in the position of the Director or officer would have considered those facts or Circumstances might give rise to a Claim against the Insured.

### 10. Personal Profit

based upon, arising out of or attributable to any Insured gaining any personal profit, remuneration or financial advantage to which such Insured was not legally entitled. This Exclusion 10. does not apply to Coverage Part 4 - Company Liability, Extension 1. Fidelity Loss.

### 11. Pollution

based upon, arising out of or attributable to or in any way connected to Pollution, except that:

- a) under Coverage Part 1 – Directors and Officers Liability of this policy section, We will pay, on behalf of Your People, Defence Costs with a sub-limit up to the lesser amount of the Limit of Indemnity or \$1,000,000 arising from any Claim first made against them and notified during the Period of Cover and that Claim involves a criminal or regulatory offence;
- b) under Coverage Part 1 – Directors and Officers Liability of this policy section, We will pay, on behalf of Your People, Loss arising from any Claim first made against them and notified during the Period of Cover involving a shareholder and/or bondholder of Your Company either directly or derivatively alleging loss in the value of the share capital of Your Company by reason of Pollution of any kind; and
- c) under Coverage Part 3 – Statutory Liability of this policy section, We will pay, on behalf of Your Company, with a sub-limit up to the lesser amount of the Limit of Indemnity or \$1,000,000 for any Claim for a Wrongful Act in respect of Pollution.

### 12. Professional Services

- a) arising directly or indirectly out of any actual or alleged act, error, omission, neglect, or breach of duty in respect of any professional services or professional advice provided by the Insured; or

## Management Liability Cover Section

- b) arising directly or indirectly out of any actual or alleged breach of any contract for the provision of professional services or professional advice provided by the Insured; or
- c) any actual or alleged failure to render any professional service or professional advice.

### 13. Retroactive Date

arising out of or connected with any facts or Circumstances prior to the Retroactive Date, if any, specified in the Policy Schedule, provided that nothing contained within this exclusion is interpreted as releasing the Insured from their obligation to disclose prior to the commencement of this policy section all details of Claims already made or outstanding or events likely to give rise to a Claim. The application of this exclusion is subject to the operation of General Extension 4. Continuous Cover.

### 14. Securities

arising directly or indirectly out of, or in any way connected with:

- a) Your offer, sale or listing of any Securities at any time; or
- b) any of Your People's offer, sale, or listing of any Securities, but only where such Securities have been offered, sold or listed after the commencement of the Period of Cover.

### 15. Territorial Limits

brought about by a Wrongful Act under the Coverage Part under which indemnity is sought, committed in whole or part outside the Commonwealth of Australia, or New Zealand arising from a Wrongful Act under the Coverage Part under which indemnity is sought to which the laws of the Commonwealth of Australia or New Zealand do not apply, or arising from the application by an Australian or New Zealand court or tribunal of any foreign law to a Wrongful Act under the Coverage Part under which indemnity is sought.

### COVERAGE PART 1 - DIRECTORS & OFFICERS LIABILITY

Note: This Coverage Part 1 is to be read in conjunction with the General Provisions section of this policy section.

#### A. DEFINITIONS

The following definitions apply to this Coverage Part 1 only:

“Claim” means:

- a) any written document served upon Your People marking the beginning of a civil, criminal, or arbitral proceeding against Your People alleging a Wrongful Act; or
- b) any written communication demanding compensation or threatening commencement of proceedings in respect of an actual or alleged Wrongful Act; or
- c) any formal or official investigation (excluding any internal investigation) by a regulatory, governmental, professional or other authorised institution authorised to carry out such an investigation against Your People which may give rise to a Claim.

“Loss” means any amount which Your People become legally obligated to pay on account of any Claim first made during the Period of Cover. Such Claim must be made against Your People for Wrongful Acts for which cover applies, including, but not limited to, damages, judgments, compensation, contributions, or settlements and Defence Costs. Loss does not include any amount for which Your People are absolved from payment.

“Wrongful Act” means any error, misstatement, misleading statement, act, omission, negligence, Employment Related Wrongful Act, breach of duty, defamation, breach of warranty of authority, wrongful trading, or other act actually or allegedly committed or attempted by Your People in their capacity as a Director, secretary, officer or Employee of Your Company or in an Outside Position.

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### B. COVERAGE

The following coverage applies to this Coverage Part 1 only:

#### 1. Individual Cover

We will pay, on behalf of Your People, Loss for any Claim for a Wrongful Act first made and notified to Us during the Period of Cover, provided Your People are not indemnified by You and are legally obligated to pay.

#### 2. Your Reimbursement Cover

We will pay You for any Loss arising from Your indemnification of Your People, as permitted or required by law, and that Your People have become legally obligated to pay on account of any Claim for a Wrongful Act first made and notified to Us during the Period of Cover.

### C. EXTENSIONS

The following extensions apply to this Coverage Part 1 only:

#### 1. Automatic Reinstatement of the Limit of Indemnity for Non-Executive Directors

In the event the Limit of Indemnity and all other indemnification available to a Non-Executive Director is exhausted We will reinstate the Limit of Indemnity once, provided that this provision is only available to Your People to the extent Your People are a Non-Executive Director of Your Company.

For the purpose of this extension a Non-Executive Director is:

- a) any natural person who was or is or during the Period of Cover becomes a member of the board of Your Company; and
- b) who within the last three years:
  - i) has not served as an executive Director of Your Company; and
  - ii) has not served as an Employee of Your Company; and
  - iii) has not received, either directly or indirectly from Your Company, money or benefits of any kind for services given in any capacity except as a Director of Your Company.

#### 2. Bail and Civil Bond Expenses

We will pay the cost of Bail and Civil Bond Expenses for Your People incurred in the event of a Claim that is covered under this policy section subject to:

- a) no costs or expenses being incurred without Our prior written consent; and
- b) an annual aggregate sub-limit of \$100,000.

### 3. Directors Tax Liability

We will pay on behalf of Your People any personal liability Your People incur with respect to the unpaid taxes of Your Company due to Your Company's Financial Impairment subject to:

- a) an annual aggregate sub-limit of \$25,000; and
- b) only where Your Company has failed to pay such taxes solely because of Your Company's Financial Impairment; and
- c) the failure to pay such taxes is not criminal, wilful, reckless or deliberate.

### 4. Employment Superannuation Scheme

We will pay, on behalf of Your People, for any Claim by reason of any Wrongful Act resulting in Loss arising out of their individual or collective capacities as trustees of the Your Company's Stand Alone Superannuation Fund. Cover provided by this extension shall not be excluded solely on the ground that a Claim is brought by a member of the superannuation or pension scheme who is also a Director or officer of Your Company.

### 5. Outside Position Liability

- a) We shall indemnify any of Your People for Loss arising out of a Wrongful Act committed whilst serving in an Outside Position of any Non-Profit Entity or Associated Company or any entity listed in the Policy Schedule.
- b) Any cover provided in this extension will only be in excess of any indemnity available from or provided by, or insurance taken out by, the entity in which Your People serve in the Outside Position or any insurance taken out by any other entity that covers Your People in the Outside Position.

### 6. Retired Directors

In the event that any of Your People cease to be a Director or officer of Your Company prior to the expiry of the Period of Cover for reasons other than:

- a) disqualification from holding the office of Director or officer and/or;
- b) dismissal from their position as Director or officer and/or;
- c) the acquisition of Your Company as noted in General Extension 1. and/or;
- d) Your Company being wound-up.

Your People shall be entitled to a free Discovery Period for a period of 84 months, provided always that this Discovery Period shall not apply where You renew or replace this Coverage Part (whether with Us or not).

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### 7. Spousal Liability

If a Claim against Your People includes a Claim against Your People's Spouse solely by reason of:

- a) the legal status as a Spouse of Your People; or
- b) ownership or interest in property which the Claimant seeks as recovery for alleged Wrongful Acts of Your People then:
  - i) all Loss which such Spouse becomes legally obligated to pay by reason of such Claim will be treated for purposes of this Coverage Part as Loss which Your People become legally obligated to pay on account of the Claim made against Your People;
  - ii) all terms and conditions of this Coverage Part, including without limitation the Excess if any, applicable to Loss incurred by Your People in the Claim will also apply to such Spousal Loss; and
  - iii) the cover provided by this extension does not apply to the extent the Claim alleges any act or omission by Your People's Spouse.

### D. EXCLUSIONS

The following exclusions apply to this Coverage Part 1 only:

We will not be liable for Loss on account of any Claim:

#### 1. Anti-Competitive Practices

arising directly out of:

- a) an actual or alleged violation of any law or regulation which regulates or restricts anti-trust or cartel conduct, monopolistic behaviour or practices, price fixing, price discrimination, predatory pricing, unfair or restrictive trade practices; or
- b) tortious interference in a third party's business or contractual relationships.

#### 2. Fine and Penalties

which consists of fines or penalties.

However, this exclusion shall not apply, up to a sub-limit of \$1,000,000 or the Limit of Indemnity whichever is the lesser, where Your People have committed an offence under an Act of Parliament punishable on conviction by a Statutory Fine unless:

- a) such Statutory Fine is due to an actual or alleged violation of any law or regulation with respect to vehicle, air or marine traffic and/or;
- b) such Statutory Fine is attributable to, or in any way involving Your People's intentional or reckless disregard of the provisions of any Act of Parliament and/or;

- c) such Statutory Fine (or part of a Statutory Fine) is a penalty imposed for failing to comply with any enforcement order or remedial order or for the cost incurred by Your People in complying with any enforcement or remedial order and/or;
- d) such Statutory Fine relates to an offence other than in the course of or in connection with Your Business.

### 3. Insured Versus Insured

arising out of or instigated against Your People (whether in Your name or not) by any other of Your People, provided that this exclusion shall not apply to:

- a) any Claim in relation to an Employment Related Wrongful Act; or
- b) any Claim brought by Your People solely for a contribution or indemnity in respect of a Claim brought against any other of Your People and which is otherwise covered under another Coverage Part of this policy section; or
- c) any Claim brought in Your name as a shareholders derivative action, provided that such Claim is not solicited or assisted by any of Your People; or
- d) any Claim brought in Your name by a liquidator, administrator, or receiver or manager, provided that such Claim is not solicited or assisted by any of Your People.

### 4. Major Shareholder

brought or maintained by or on behalf of any shareholder holding or controlling (directly or beneficially) 20% or more of the voting shares or rights or issued capital of Your Company if the Wrongful Act occurred or allegedly occurred any time after the date on which that shareholder became a major shareholder.

### 5. Outside Position

for a Wrongful Act by Your People in an Outside Position if such Claim is brought or maintained by or on behalf of the entity in which Your People serves or by or on behalf of any Director, officer or trustee of such entity except:

- a) a Claim that is a derivative action brought or maintained on behalf of such entity without the solicitation, assistance or active participation of such entity or any Director, officer or trustee of such entity; or
- b) a Claim brought or maintained by a Director, officer or trustee of such entity for any actual or alleged Employment Related Wrongful Act; or
- c) a Claim brought or maintained by an external auditor appointed by the Outside Directorship Company; or
- d) a Claim brought or maintained by a liquidator,

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administrator or receiver or manager or equivalent in any jurisdiction on behalf of such entity without the solicitation, assistance or active participation of any of Your People or by or on behalf of any Director or officer in such entity.

### 6. Superannuation Liabilities

directly or indirectly caused by, arising from or in anyway connected with:

- a failure to pay superannuation contributions giving rise to a superannuation guarantee charge; or
- the failure of Your People to pay into, or collect contributions for an Employment Superannuation Scheme as required by law and/or the Employment Superannuation Scheme trust deed; or
- the failure to pay any amount payable to a beneficiary of an Employment Superannuation Scheme.

### COVERAGE PART 2 - EMPLOYMENT PRACTICES LIABILITY

Note: This Coverage Part 2 is to be read in conjunction with the General Provisions section of this policy section.

#### A. DEFINITIONS

The following definitions apply to this Coverage Part 2 only:

“Claim” means:

- any written document served upon Your Company marking the beginning of a civil, criminal, or arbitral proceeding against Your Company alleging a Wrongful Act; or
- any written communication demanding compensation or threatening commencement of proceedings in respect of an actual or alleged Wrongful Act; or
- any formal or official investigation (excluding any internal investigation) by a regulatory, governmental, professional or other authorised institution authorised to carry out such an investigation against Your Company which may give rise to a Claim.

“Loss” means any amount which Your Company becomes legally obligated to pay on account of any Claim made during the Period of Cover. Such Claim must be made against Your Company for Wrongful Acts for which cover applies, including, damages, judgments, settlements and Defence Costs.

Loss does not include:

- any amount for which Your Company is absolved from payment;
- taxes, fines or penalties imposed by law;
- the multiple portion of any multiplied damage award or punitive or exemplary damages;

- any other amount which is uninsurable under the law pursuant to which this policy section is construed.

“Wrongful Act” means an Employment Related Wrongful Act.

#### B. COVERAGE

The following applies to this Coverage Part 2 only:

We will pay, on behalf of Your Company, Loss for any Claim for a Wrongful Act first made and notified to Us during the Period of Cover.

#### C. EXCLUSIONS

The following exclusions apply to this Coverage Part 2 only:

We will not be liable for Loss on account of any Claim:

##### 1. Employee Entitlements

for payment to any of Your People of any amount which Your Company was obligated (whether under any statute or any express or implied term of any employment agreement or otherwise) to pay. However, this exclusion shall not apply to Defence Costs incurred by Your Company with respect to such Claim.

##### 2. Employee Remuneration

for the payment of any remuneration or benefit to any of Your People who has been reinstated into their former position after a Wrongful Act.

##### 3. Industrial Action

arising from Wrongful Acts committed during any lockout, strike, picket, stand-down or suspension, or other industrial dispute.

##### 4. Modifications to Workplace

for the cost of physical modifications to Your Company's workplace, or the cost of changes to workplace procedures.

##### 5. Non-Compliance

for non-compliance with any judgment, award, determination or demand against Your Company issued or published by any Employment Relations Authority, Employment Court, Court of Appeal, Human Rights Commission, Complaints Review Tribunal, Privacy Commission, or Labour Inspector employed by a Department of Labour (or equivalent) or any other court or statutory body.

##### 6. Redundancy Compensation

for failure by Your Company to pay adequate redundancy compensation or benefit in accordance with any legal requirement to any of Your People dismissed by reason of redundancy.

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### 7. Statutory Liability

arising out of or connected with any statute relating to workers compensation, accident compensation or occupational health and safety.

### COVERAGE PART 3 - STATUTORY LIABILITY

Note: This Coverage Part 3 is to be read in conjunction with the General Provisions section of this policy section.

#### A. DEFINITIONS

The following definitions apply to this Coverage Part 3 only:

“Claim” means:

- any formal or official investigation (excluding any internal investigation) by a regulatory, governmental, professional or other authorised institution, authorised to carry out such an investigation against Your Company which might give rise to a Loss; and/or
- any written communication by a regulatory, governmental, professional or other authorised institution served upon Your Company threatening commencement of legal proceedings, or marking the beginning of legal proceedings against Your Company alleging a Wrongful Act.

“Loss” means any Defence Costs and any Statutory Fine issued during the Period of Cover.

Loss does not include:

- any amount for which Your Company is absolved from payment;
- any compliance, remedial, reparation or restitution costs;
- the multiple portion of any multiplied damage award;
- punitive or exemplary damages;
- taxes, employee remuneration or compensation payable; or
- any other amount which is uninsurable under the law pursuant to which this policy section is construed.

“Wrongful Act” means any act or omission by Your Company in connection with Your Business that may result in an allegation that Your Company has committed an offence under an Act of Parliament punishable on conviction by Statutory Fine or imprisonment.

#### B. COVERAGE

The following coverage applies to this Coverage Part 3 only:

We will pay, on behalf of Your Company, Loss for any Claim for a Wrongful Act first made and notified to Us during the Period of Cover.

#### C. EXCLUSIONS

The following exclusions apply to this Coverage Part 3 only:

We will not be liable for Loss on account of any Claim:

##### 1. Anti-Competitive Practices

arising directly out of:

- an actual or alleged violation of any law or regulation which regulates or restricts anti-trust or cartel conduct, monopolistic behaviour or practices, price fixing, price discrimination, predatory pricing, unfair or restrictive trade practices; or
- tortious interference in a third party's business or contractual relationships.

##### 2. Enforcement Order

for payment of any fine (or part of a fine) which is a penalty imposed for failing to comply with any enforcement order or remedial order or for the cost incurred by You in complying with any enforcement or remedial order.

##### 3. Motor, Air and Marine

arising out of an actual or alleged violation of any law or regulation with respect to vehicle, air or marine traffic.

##### 4. Reckless Disregard

arising out of or based upon, attributable to, or in any way involving Your Company's intentional or reckless disregard of the provisions of any Act of Parliament.

##### 5. Unreasonable Plea

where Your Company is intending to plead guilty or not guilty, but the intended plea is not reasonable, based on the available evidence, the weight and cogency of that evidence, the burden of proof and the applicable law.

##### 6. Your Business

arising out of activities which are not either: (a) part of the ordinary course of Your Business; or (b) directly connected with Your Business.

### COVERAGE PART 4 - COMPANY LIABILITY

Note: This Coverage Part 4 is to be read in conjunction with the General Provisions section of this policy section.

#### A. DEFINITIONS

The following definitions apply to this Coverage Part 4 only:

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**“Claim”** means:

- a) any written communication demanding compensation or threatening the commencement of proceedings in respect of an actual or alleged Wrongful Act;
- b) any written document served upon Your Company marking the beginning of a civil, criminal or arbitral proceeding against Your Company alleging a Wrongful Act.
- c) any Fidelity Loss sustained by Your Company.
- d) any Tax Audit Costs incurred by Your Company.

**“Loss”** means any amount which Your Company becomes legally obligated to pay on account of any Claim first made during the Period of Cover. Such Claim must be made against Your Company for Wrongful Acts for which cover applies, including damages, judgments, compensation, contributions or settlements and Defence Costs.

**“Loss”** also means any Fidelity Loss first discovered by Your Company during the Period of Cover and Tax Audit Costs incurred by Your Company during the Period of Cover. Loss does not include any amount for which Your Company is absolved from payment, or any amount payable by Your Company under any warranty or guarantee, or for money payable to a third party for goods or services supplied to Your Company.

**“Wrongful Act”** means any error, misstatement, misleading statement, act, omission, negligence, breach of duty, defamation, wrongful trading, or other act actually or allegedly committed or attempted by Your Company in connection with Your Business.

### B. COVERAGE

The following coverage applies to this Coverage Part 4 only:

We will pay for Loss on behalf of Your Company for any Claim for a Wrongful Act first made and notified to Us during the Period of Cover.

### C. EXTENSIONS

The following extensions apply to this Coverage Part 4 only:

#### 1. Fidelity Loss

Subject to an Excess of \$4,000 for each and every Claim, We will reimburse Your Company, with a sub-limit up to the lesser amount of the Limit of Indemnity or \$750,000 for a Fidelity Loss.

This extension shall also cover subject to the sub-limit:

- a) auditors fees, costs, charges and expenses incurred with Our prior written consent that are reasonably necessary to

determine the value of a Fidelity Loss and are reasonable in amount on Our acceptance that a Fidelity Loss has occurred; and

- b) Fidelity Loss in relation to Your Stand Alone Superannuation Fund; and
- c) Fidelity Loss in relation to any welfare, social or sporting club formed with Your knowledge and consent and designed exclusively for the benefit of Your Employees; and
- d) Fidelity Loss caused by a Director (but only where there are multiple directors of Your Company) is sub-limited up to \$100,000 and is part of and not in addition to the sub-limit for this extension.

However, this extension shall not cover Fidelity Loss:

- a) if an indemnity is available under any other Policy; or
- b) arising out of, or in any way related to any proprietary information, intellectual property, trade secrets, confidential processing methods, or other confidential information of any kind; or
- c) arising out of, or in any way related to the destruction, damage or forcible entry to any premises or building; or
- d) arising out of, or in any way related to, or caused by an agent, broker, authorised representative, external solicitor, external accountant, consignee, independent contractor or subcontractor; or
- e) arising out of, or in any way related to indirect or consequential loss or damage of any kind, provided that this exclusion shall not apply auditors fees, costs, charges and expenses that are reasonably required in determining the value of a Fidelity Loss and are reasonable in amount; or
- f) notwithstanding the Continuous Cover clause, first Discovered prior to the commencement of the Period of Cover, or after the expiry of the Period of Cover; or
- g) which can only be proved by means of one or more of the following: a profit and loss computation or comparison, or a comparison of inventory records with an actual physical inventory count; or
- h) arising out of, or in anyway related to the loss of, damage to, or reproduction of: records, manuscripts, accounts, tapes or any other form of hard copy records or electronic records; or
- i) arising out of, or in anyway related to the authorised or unauthorised trading of Insured Property by a Director or an Employee, regardless of whether such trading is in the name of an Insured or not, and regardless of whether any accounts used are genuine or fictitious; or

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- j) arising out of, or in anyway related to, the voluntary giving, exchanging, purchasing or surrendering of Insured Property unless Your Company has taken reasonable steps to prevent such Fidelity Loss; or

- k) arising out of, or in anyway related to only one individuals signature or authorisation being required to validly sign cheques, issue electronic funds transfer, prepare cheque requisitions, handle bank deposits, reconcile bank statements or refund monies in excess of \$1,000.00 in value without the independent review and approval from at least one other person of equal seniority who must examine the supporting vouchers or requisitions or verify the transaction.

- l) arising out of, or in anyway related to the forgery, alteration, or fraudulent use of any credit card, fuel card or store card issued by Your Company to Employees or Directors unless the terms and conditions of such credit card, fuel card or store card issued have been fully complied with by Your Company.

### 2. Internet Liability

We will pay for Loss on behalf of Your Company for any Claim for Internet Liability with a sub-limit up to the lesser amount of the Limit of Indemnity or \$150,000.

However this extension shall not cover any Internet Liability:

- a) arising out of or attributable to licensing fees, or royalties ordered, directed or agreed to be paid by the Insured for the continued use of a person's or entity's copyright, trade name, trade dress, trade mark, service mark, service name, slogan or other protected intellectual property.
- b) arising out of or in anyway related to any unsolicited electronic dissemination of emails, faxes or other communications to a third party including an actual or alleged violation of the Spam Act 2003 (Cth) and any other federal, state or foreign anti-spam statute, law or regulation.
- c) arising directly or indirectly from the use or provision of games, gaming, gambling, lottery or auctioneering activities.

Exclusion 4. Intellectual Property shall not apply to this Extension 2. Internet Liability but only where Your Company can demonstrate it has adequate copyright compliance procedures in place including but not limited to:

- a) procedures for seeking permission to reproduce or copy material; and
- b) procedures for posting content online; and
- c) seeking advice from qualified, independent third parties to review and confirm that any publication issued by Your

Company does not breach third party intellectual property rights.

### 3. Tax Audit Costs

Subject to an Excess of \$1,000 for each and every Claim, We will pay Tax Audit Costs with a sub-limit up to the lesser amount of the Limit of Indemnity or \$250,000.

However, this extension will not pay for any Tax Audit Costs:

- a) incurred without Our prior written consent; and/or
- b) arising from Your improper, unwarranted or unjustified refusal or failure to comply with any lawful request made by a state or federal Commissioner of Taxation for the production of documents or the supply of information. Refusal or failure to comply will not be deemed improper, unwarranted or unjustified if You refuse or fail to comply based upon the reasonable advice of Your accountant or tax agent that such refusal or failure is appropriate and You provided that accountant or tax agent with all relevant documents and information; and/or
- c) relating to audits or investigations under customs legislation; and/or
- d) relating to audits or investigations of income received or earned where the source of income is, outside the Commonwealth of Australia or where the services giving rise to the Claim are performed by persons or entities ordinarily resident outside Australia; and/or
- e) relating to audits or investigations arising out of any fraud or fraudulent act or omission committed by You or on Your behalf; and/or
- f) arising from audits or investigations where You, or any person acting on Your behalf, has become aware of any error or deficiency in any return of income or other documentation supplied to a state or federal Commissioner of Taxation and You, or any person acting on Your behalf, has failed to notify the Commissioner of that error or deficiency within the lesser of a reasonable time or the time limit for contesting such an error or deficiency.

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### D. EXCLUSIONS

The following exclusions apply to this Coverage Part 4 only (but do not apply to: Extension 1. Fidelity Loss or Extension 3. Tax Audit Costs above).

We shall not be liable for Loss on account of any Claim:

#### 1. Anti-Competitive Practices

arising directly out of:

- a) an actual or alleged violation of any law or regulation which regulates or restricts anti-trust or cartel conduct, monopolistic behaviour or practices, price fixing, price discrimination, predatory pricing, unfair or restrictive trade practices; or
- b) tortious interference in a third party's business or contractual relationships.

#### 2. Breach of Contract

arising out of any actual or alleged breach of contract.

#### 3. Fines and Penalties

which consists of fines or penalties.

#### 4. Intellectual Property

arising out of any actual or alleged infringement, violation, plagiarism, breach of intellectual property or copyright, patent, trade mark or trade secret.

#### 5. Intentional Claims

that Your Company has intentionally encouraged.

#### 6. Motor, Air or Marine

arising out of an actual or alleged violation of any law or regulation with respect to vehicle, air or marine traffic.

#### 7. Product Liability and Product Recall

arising directly or indirectly from or in respect of:

- a) Your Company's manufacture, distribution, and/or sale of products; or
- b) the recall of any products manufactured, distributed and/or sold by Your Company.

#### 8. Statutory Liability

arising out of an actual or alleged offence under an Act of Parliament.

#### 9. Trading Debts

arising out of any trading or business debt incurred by Your Company.

### 10. Your People

- a) solicited or brought by Your People; or
- b) arising out of or connected with an Employment Related Wrongful Act.

## Motorpack® Cover Section

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### PRODUCT DISCLOSURE STATEMENT

This is the Product Disclosure Statement (PDS) for the Motorpack® Cover Section of this Policy. The Important Information, General Exclusions and General Conditions sections of this Policy also form part of this PDS.

### Premium

In order to calculate Your Premium, We take various factors into consideration, including the level of cover requested and the property to be insured. For the Motorpack® Cover Section of this Policy these factors include but are not limited to:

- a) type and value of Vehicle;
- b) type of Freight carried;
- c) fleet kilometres travelled;
- d) type of cover requested;
- e) age and experience of each Driver;
- f) location and operating radius of the Vehicle;
- g) loss/claims history for the last five years; and
- h) risk management procedures undertaken by Your business.

Factors that increase the risk to Us generally increase the Premium (e.g. high claims experience or higher Sum Insured) and factors that reduce the risk to Us generally reduce the premium (e.g. low claims experience or lower Sums Insured).

Your Premium also includes amounts that take into account Our actual or estimated obligation to pay any relevant compulsory government charges, taxes or levies (for example Stamp Duty, GST and Fire Services Levy).

Where We are required to pay an estimated amount (e.g. for Fire Services Levies) based on criteria set by the Government, We allocate to the Policy Our estimate of the amount We will be required to pay. We may under or over recover in any particular year but We will not adjust Your Premium because of this. You can ask Us for more details if You wish.

When You apply for this insurance, You will be advised of the total amount payable, when it needs to be paid and how it can be paid. This amount will be clearly set out in Your Schedule, which will be sent to You within five days of the issue of this product. If You fail to pay, We may reduce any claim payment by the amount of Premium owing and/or cancel the Policy.

You may also be required to pay an Excess in the event of a claim under this Policy. The amount of any Excess will be shown on Your Schedule.

### Excess

An Excess is the part of a claim You must contribute and it is payable for each and every claim covered by the Motorpack® Cover Section. The Excess is shown in the Schedule, and any additional Excesses payable in certain circumstances are shown in the Policy (refer to the Policy wording for further details). Excesses shall be cumulative across all Parts of Motorpack® Cover Section and within each Part of Motorpack® Cover Section.

The Excess is payable unless We are satisfied that another identified party is at fault, You are not at fault, and You provide Us with the other party's name and contact details.

# Motorpack® Significant Features and Benefits



## PART A – COMMERCIAL MOTOR

This is a **summary only** and must be read in conjunction with the full wording within Part A of the Motorpack® Cover Section .

COVER FOR YOUR VEHICLE – SECTION 1	INCLUDED BENEFITS	SECTION 1 LIMIT – Up to \$15million
<b>SUMMARY OF INCLUDED BENEFITS – SECTION 1</b>	Accessories	Reasonable Cost or listed in the Schedule
	Automatic Trailer Cover	Up to \$1,000 per event
	Completion of Journey Costs	Included in Repatriation of Driver and Repatriation of Vehicle
	Death Benefit	Up to \$25,000 (including funeral expenses) per event
	Disability Modifications	Reasonable Costs up to \$5,000 per event
	Emergency Repairs	Reasonable Costs up to \$2,000 per event
	Funeral Expenses	Included in Death Benefit
	Employee Vehicles	Reasonable Costs up to \$25,000 per event in excess of any claims benefit available under any other policy of insurance
	Goods in transit	Benefit for Vehicle up to 4.5T GVM up to \$5,000 per event in excess of any claims benefit available under any other contract of insurance subject to additional \$250 Excess per event
	Hire Car following Theft	Reasonable Costs up to \$100 per day up to 21 days and maximum up to \$2,100 per event
	Immediate Family Travel Expenses	Reasonable Costs up to \$3,000 any one Period of Insurance
	Keys and locks	Reasonable Costs up to \$5,000 per Vehicle and maximum up to \$10,000 per event
	Replacement with a New Vehicle (Total Loss of Vehicle)	Vehicle up to 4.5T GVM within 2 years of original registration
	Leased or Financed Payout (Total loss gap cover)	Up to 25% of the Market Value
	Mechanical Breakdown	Vehicle up to 4.5T GVM, less than 5 years old and travelled less than 100,000 KM (not for passengers carriage and courier), up to \$2,000 per event or up to \$6,000 any one Period of Insurance
	Personal Effects	Reasonable Costs up to \$1,500 per event
	Removal of Debris	Reasonable Costs up to \$50,000 per event
	Repatriation of Driver	Reasonable Costs up to \$3,000 per event
	Repatriation of Vehicle	Reasonable Costs up to \$1,000 per event
	Replacement Glass (Nil Excess)	Reasonable Costs up to \$1,000 per event Vehicle up to 4.5T GVM
Signwriting	Reasonable Costs of replacement	
Towing	Reasonable Costs of removal and towing to the nearest repairer.	
Tyre Replacement	Reasonable Costs of replacement	
Uninsured Motorist Protection	Material damage protection (gap cover) up to \$10,000 per event	
Windscreen	Included in Replacement Glass Vehicle up to 4.5T GVM	
<b>SUMMARY OF BENEFITS – SECTION 1 - OPTIONAL</b>	Hire Car following Collision	Reasonable Costs up to \$100 per day up to 21 days and maximum up to \$2,100 per event subject to additional premium

# Motorpack® Significant Features and Benefits

LIABILITIES TO THIRD PARTIES - SECTION 2	INCLUDED BENEFITS	SECTION 2 LIMIT – Up to \$35million
<b>SUMMARY OF INCLUDED BENEFITS – SECTION 2</b>	Dangerous Goods Liability	Up to \$5,000,000
	Damage to Leased Premises	Up to \$100,000 per event
	Defence Costs	Reasonable Costs up to \$10,000 per criminal event
	Liability for Goods being Carried, Loaded and Unloaded	Legal liability for damage to Third Party property
	Legal Costs	Legal Costs with prior written consent
	Movement of other Vehicles	Legal liability for damage to Third Party property
	Non-Owned Vehicle	Legal liability for damage to Third Party property
	Non-Owned Vehicles in Car Park	Legal liability for damage to employee's or visitor's vehicles within car park
	Towing Disabled Vehicles	Legal liability for damage to Third Party property
	Trailers	Legal liability for damage to Third Party property
<b>EXTENSIONS TO SECTION 1 AND SECTION 2</b>	Automatic Additions and Deletions	Notify Us within 30 days up to \$250,000
	Contractual Liability	Legal liability for damage to Third Party property
	Cross Liability	Waive Our rights of subrogation
	L.P.G Conversion	Included in General Extensions
	Other Interested Parties	Included in General Extensions
	Sea Transportation	General average and salvage charges
<b>GENERAL CONDITION</b>	Subrogation Waiver	Waive Our rights of subrogation
	No Fault Excess	Waive Excess if Loss was not Your fault

# Motorpack® Significant Features and Benefits



**PART B – HEAVY MOTOR**

This is a **summary only** and must be read in conjunction with the full wording within Part B of the Motorpack® Cover Section

COVER FOR YOUR VEHICLE – SECTION 1	INCLUDED BENEFITS	SECTION 1 LIMIT – Up to \$15million
<b>SUMMARY OF INCLUDED BENEFITS – SECTION 1</b>	Accessories	As nominated
	Death Benefit	\$25,000 (including funeral expenses) per event
	Emergency Accommodation	Reasonable Costs up to \$3,000 per event
	Emergency Repairs	Reasonable Costs up to \$10,000 per event
	Finance Payments of Repaired Vehicles	Up to \$8,000 any one Period of Insurance
	First Aid Kit Expenses	Reasonable Costs up to \$2,500 per event
	Hire Substitute Vehicles Including Theft	Up to \$5,000 or 4 weeks whichever is the less any one event
	Immediate Family Travel Expenses	Reasonable Costs up to \$3,000 any one Period of Insurance
	Keys and Locks	Reasonable Costs up to \$10,000 any one Period of Insurance
	Leased or Financed Payout (Total loss gap cover)	Up to 25% of the Market Value
	Non-Owned Trailer	Up to \$100,000 subject to \$2,500 Excess per event
	Personal effects	Reasonable Costs up to \$3,000 per event
	Removal of Debris	Reasonable Costs up to \$50,000 per event
	Removal or Retrieval Costs	Reasonable Costs up to \$50,000 per event
	Repatriation of a Driver	Reasonable Costs up to \$5,000 per event
	Repatriation of a Vehicle Including Theft	Reasonable Costs Up to \$25,000 per event
	Replacement with a New Vehicle (Total Loss of Vehicle)	Within 2 years of original registration
	Reward for Recovery of a Stolen Vehicle	Up to 2.5% of the Sum Insured or \$10,000 whichever is the lesser per event
	Signwriting	Reasonable Costs of replacement
	Tarpaulins, gates, chains, dogs, straps	Reasonable Costs up to \$5,000 per event
Trauma Counselling	Reasonable Costs up to \$5,000 per event	
Vehicle Modification	Reasonable Costs up to \$10,000 per event	
<b>SUMMARY OF BENEFITS – SECTION 1 - OPTIONAL</b>	Downtime Protection	Up to 12 weeks cover subject to additional Premium

# Motorpack® Significant Features and Benefits

LIABILITIES TO THIRD PARTIES - SECTION 2	INCLUDED BENEFITS	SECTION 2 LIMIT – Up to \$35million
<b>SUMMARY OF BENEFITS – SECTION 2</b>	Dangerous Goods Liability	Up to \$5,000,000
	Employee Use of Vehicle	Coverage for employee's vehicle up to \$25,000 per event in excess of any claim benefit available under any other policy of insurance
	Employer, Partner or Principal	Included in Section 2 Liability to Third Parties
	Freight Falling, Leaking or Spilling	Included in Section 2 Liability to Third Parties
	Legal Costs	Included in Section 2 with prior written consent
	Loading/Unloading – Permanently Attached Plant	Where Vehicle permanently attached plant forming part of registered Vehicle
	Non-Owned Trailer	Included in Section 2 Liability to Third Parties
	Vehicle Under Tow	Coverage for a disabled Vehicle under tow
<b>EXTENSIONS TO SECTION 1 AND SECTION 2</b>	Automatic Inclusion	Notify Us within 30 days up to \$500,000
	Cross Liability	Waive Our rights of subrogation
	L.P.G Conversion	Included in General Extensions
	Sea Transportation	General average and salvage charges
	Other Interested Parties	Included in General Extensions
<b>GENERAL CONDITION</b>	No Fault Excess	Waive Excess if Loss was not Your fault



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## Significant Features and Benefits

### PART C – MOBILE PLANT AND EQUIPMENT

This is a **summary only** and must be read in conjunction with the full wording within Part C of the Policy.

MATERIAL DAMAGE – SECTION 1	INCLUDED BENEFITS	SECTION 1 LIMIT – As stated in Schedule
<b>SUMMARY OF INCLUDED BENEFITS – SECTION 1</b>	Dry Hire	Included in Section 1
	In Transit	Included in Section 1
	Expediting Expenses	Up to \$10,000 per event
	Accessories, Tools and Spare Parts	Up to \$5,000 per event
	Signwriting	Restoring costs per event
	Tyre Replacement	Replacement costs
	Protection and Removal	Up to 5% of the Sum Insured or \$50,000 whichever is the less per event and in aggregate any one Period of Insurance
	Locks and Keys	Up to \$2,500 per key or \$5,000 in aggregate per event
	Personal Effects	Up to \$500 per item or \$1,000 in aggregate per event
	Windscreen Replacement	Replacement costs or \$5,000 in aggregate any one Period of Insurance
<b>ROAD RISK LIABILITY – SECTION 2</b>	Included Benefits	Section 2 Limit - As stated in Schedule
<b>SUMMARY OF BENEFITS – SECTION 2</b>	Defence Costs	Included in Section 2 Road Risk Liability
	First Aid Costs	Included in Section 2 Road Risk Liability
	Legal Costs	Included in Section 2 with prior written consent
	Substitute Vehicles	Included in Section 2 Road Risk Liability
	Movement of Other Machines	Included in Section 2 Road Risk Liability
	Removal of Debris	Up to \$50,000 per event
	Sea Transportation	General average and salvage charges
	Towing Disabled Machines	Coverage for a disabled Vehicle under tow
	Trailers	Coverage for trailers attached
<b>EXTENSIONS TO SECTION 1 AND SECTION 2</b>	Automatic Additions and Deletions	Notify Us within 30 days up to \$250,000
	L.P.G Conversion	Included in General Extensions
	Other Interested Parties	Included in General Extensions
	Hold Harmless	Waive Our rights of subrogation except Dry Hire
	Hired-in Plant not noted on the Policy Schedule	Up to \$25,000 in aggregate per any one Period of Insurance
	Dangerous Goods Liability	Up to \$100,000
<b>GENERAL CONDITION</b>	No Fault Excess	Waive Excess if Loss was not Your Fault

### EXCLUSIONS AND CONDITIONS

The Policy's General Exclusions apply to all sections of this Motorpack® Cover Section. Each Part of the Motorpack® Cover Section also contains exclusions which apply specifically to that Part. The exclusions explain the circumstances in which We will not cover You. Please refer to the General Exclusions applying to all Cover Sections of the Policy and the exclusions in each Part of Motorpack® Cover Section for full details.

The Policy's General Conditions apply to all parts of the Motorpack® Cover Section. Each part of the Motorpack® Cover Section also contains exclusions which apply specifically to that Part. The conditions explain the obligations which You must comply with to be able to make a valid claim. Please refer to the Policy's General Conditions and the conditions in each Part of the Motorpack® Cover Section for full details.

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## Significant Features and Benefits

### CLAIM PAYMENTS EXAMPLES

The following examples are designed to illustrate how a claim payment might typically be calculated. It is assumed that the insured is registered for GST purposes. The examples do not cover all scenarios or all benefits and do not form a part of the Motorpack® Cover Section terms and conditions. They are a guide only.

### CLAIM PAYMENTS EXAMPLES FOR PARTS A AND B

#### Example: Total Loss – where the Sum Insured exceeds the Market Value

A Vehicle that is comprehensively insured for a Sum Insured of \$150,000, or Market Value, whichever is less. The standard Excess is \$1,000 or 1% of the Sum Insured, whichever the greater. The Vehicle is damaged in an Accidental event and We assess the cost of repair to be \$200,000. We decide it is a total loss.

The market value is determined as follows:

The Vehicle is 10 years old and We assess the market value to be \$130,000 (GST inclusive).

HOW MUCH WE PAY	EXPLANATION
Market Value is less than the Sum Insured We assess the Market Value as \$130,000.	The Vehicle is a Total Loss with a Market Value of \$130,000 and the Sum Insured is \$150,000. We normally decide a Vehicle is a Total Loss if the complete repair cost exceeds its Market Value or Sum Insured, whichever is less, less the salvage value.
Less GST component \$11,818.18	The Market Value includes GST. As You do not have a GST liability in respect of any payment We make to You for the Total Loss of Your Vehicle, We will deduct the GST component. In this example the Vehicle is used 100% for business use.
Less Excess \$1,300	The standard Vehicle Excess \$1,000, or 1% of the Sum Insured, whichever the greater. However, in this example, We decided to pay Total Loss on Market Value of Your Vehicle, We deduct 1% of the Market Value, which equals \$1,300.
<b>Total claim \$116,881.82</b>	We would normally pay this amount directly to You in a Total Loss situation.
Plus lease or finance payout \$30,000	If, instead of owning Your Vehicle outright, Your Vehicle was leased or financed and the amount owing was \$160,000 (excluding any payments in arrears and resulting interest), We will pay the difference between the amount owing under the finance arrangement and the Market Value (\$160,000 - \$130,000) of \$30,000, this benefit has a limit of 25% of the Market Value (\$32,500) which has not been reached.
<b>Total claim payable \$146,881.82</b>	We would normally pay the claim directly to Your lessor or financier and not to You. You pay them any amounts left owing.

If the Vehicle in the above example was less than 2 years old at the time of the event, instead of paying the claim, as per above example, You can choose to accept a replacement vehicle including similar accessories and parts, plus Our proportion of on-road costs e.g. registration, compulsory third party, pre-delivery. You must pay the Excess to the dealership that has provided the replacement Vehicle, or to Us at Our option.

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## Significant Features and Benefits

If the Vehicle salvage is valued at \$1,000, the salvage becomes Our property and We are entitled to keep the \$1,000 proceeds of its sale, plus any registration and compulsory third party insurance refund if applicable. This does not affect the calculations above unless You obtain these refunds directly in which case We will deduct these costs from the total claim example.

### Example: Authorised Repair – Licensed Repairer

*A Vehicle that is comprehensively insured for a Sum Insured of \$150,000 or Market Value whichever is less.*

*The standard Excess is \$1,000 or 1% of the Sum Insured, whichever the greater.*

*The Vehicle is damaged in an Accidental event and We assess the cost of repair to be \$50,000 (GST inclusive).*

HOW MUCH WE PAY	EXPLANATION
We pay the Cost of repair \$50,000.	The Vehicle is damaged and We authorise repairs to Your Vehicle with the cost of \$50,000 in this example.
Less Excess \$1,500	The standard Vehicle Excess \$1,000 or 1% of the Sum Insured, whichever the greater. 1% equals \$1,500 of the Sum Insured in this example. We deduct this from the amount We pay to the repairer and You would pay the Excess of \$1,500 directly to the repairer.
<b>Total claim payable \$48,500</b>	We would normally pay this amount directly to the repairer.

### CLAIM PAYMENT EXAMPLES FOR PART C

#### Example: Total Loss – where the Sum Insured exceeds the Market Value

The Insured Property is insured for a Sum Insured of \$150,000, or Market Value, whichever is less. The standard Excess is \$1,000 or 1% of the Sum Insured, whichever the greater. The Insured Property is damaged while in Transit and We assess the cost of repair to be \$200,000. We decide it is a total loss.

The Market Value is determined as follows:

The Insured Property is 10 years old and We assess the market Value to be \$130,000 (GST inclusive).

HOW MUCH WE PAY	EXPLANATION
Market Value is less than the Sum Insured We pay the Market Value of \$130,000.	The Insured Property is a total loss with a Market Value of \$130,000 and the Sum Insured is \$150,000. We normally decide Insured Property is a total loss if the complete repair cost exceeds its Market Value or Sum Insured, whichever is less, less the salvage value.
Less GST Component \$11,818.18	The Market Value includes GST. As You do not have a GST liability in respect of any payment We make to You for the Total Loss of Your Vehicle, We will deduct the GST component. In this example the Vehicle is used 100% for business use.
Less Excess \$1,300	The standard Excess \$1,000, or 1% of the Sum Insured, whichever the greater. However, in this example, We decided to pay total loss on Market Value of Your Insured Property, We deduct 1% of the Market Value, which equals \$1,300.
<b>Total claim \$116,881.82</b>	We would normally pay this amount directly to You in a total loss situation.

# Motorpack®

## Significant Features and Benefits



If the Insured Property salvage is valued at \$1,000, the salvage becomes Our property and We are entitled to keep the \$1,000 proceeds of its sale, plus any registration and compulsory third party insurance refund if applicable. This does not affect the calculations above unless You obtain these refunds directly in which case We will deduct these costs from the total claim example as per above.

### Example: Authorised Repair – Licensed Repairer

Insured Property is insured for a Sum Insured of \$150,000 or Market Value whichever is less. The standard Excess is \$1,000 or 1% of the Sum Insured, whichever the greater. The Insured Property is damaged in an Accidental event while in Your care, custody and control and We assess the cost of repair to be \$50,000 (GST inclusive).

HOW MUCH WE PAY	EXPLANATION
We pay the cost of repair \$50,000	The Insured Property is damaged and We authorise repairs to Your Insured Property with the cost of \$50,000 in this example.
Less Excess \$1,500	The standard Excess \$1,000 or 1% of the Sum Insured of the damaged item, whichever the greater. 1% equals \$1,500 of the Sum Insured in this example. We deduct this from the amount We pay to the repairer and You would pay the Excess of \$1,500 directly to the repairer.
<b>Total claim payable \$48,500</b>	We would normally pay this amount directly to the repairer.

### CLAIM PAYMENT EXAMPLE FOR PARTS A, B AND C

#### Example: Third Party Liability

Your Vehicle or Insured Property is insured for a Sum Insured of \$150,000 or Market Value whichever is less. The basic Excess is \$1,000 or 1% of the Sum Insured, whichever the greater.

You were held legally liable to pay as compensation \$50,000 for damage to Third Party property as a result of an Accidental event arising out of the use of Your Vehicle or Insured Property on a public road. The sum of \$50,000 has been adjusted to take into account the tax status of the Third Party.

HOW MUCH WE PAY	EXPLANATION
We pay the Third Party liability \$50,000	Third Party property damaged with a demand for compensation of \$50,000 in this example.
Total claim \$50,000	We would normally pay the claim directly to Third Party.
Your applicable Excess \$1,500	The standard Excess \$1,000, or 1% of the Sum Insured, whichever the greater. 1% equals \$1,500 of the Sum Insured in this example. We will request the Excess \$1,500 from You if Our assessor advises there is no damage to Your Vehicle or Insured Property. However, if Our assessor advises Your Vehicle or Insured Property is damaged and We have authorised repair, then We will deduct from the amount We pay to repair Your Vehicle or Insured Property.

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## Part A – Commercial Motor

### INTRODUCTION

In Part A of this Motorpack® Cover Section the following words have a special meaning. The definitions below apply only to Part A of the Motorpack® Cover Section and override all other definitions, including the General Definitions applying to all Cover Sections of the Policy and the other definitions contained in the other Parts of the Motorpack® Cover Section. The singular shall include the plural and vice versa, except where the context otherwise requires.

### DEFINITIONS

**“Accident” or “Accidental”** means unintended, unforeseen, fortuitous or unanticipated happening or mishap, which is not expected or designed.

**“Agreed Value”** means the amount nominated by You that We have agreed to insure Your Vehicle for, as shown in the Schedule.

**“Comprehensive Cover”** means if this is shown on Your Schedule, We will provide cover to You under Section 1 and Section 2 of Part A of the Motorpack® Cover Section.

**“Damage”** means any physical Loss, or destruction as appropriate to describe the type of Loss suffered.

**“Dangerous Goods”** means freight that consists of goods defined as dangerous in the Dangerous Goods Code.

**“Dangerous Goods Code”** means the current Australian Code for the Transport of Dangerous Goods by Road and Rail.

**“Driver”** is a person who is suitably qualified, experienced and competent and who is a reasonable person, employed or hired to drive Your Vehicle.

**“Excess”** means the amounts specified elsewhere in this Motorpack® Cover Section which You must contribute, in respect of each and every vehicle when You make a claim. Excesses shall be cumulative across all Parts of the Motorpack® Cover Section and within each Part of the Motorpack® Cover Section.

**“Financial Stress”** means inability to meet debt repayments and daily living costs.

**“GST”** means the Goods and Services Tax.

**“Gross Vehicle Mass (GVM)”** means the maximum weight a Vehicle can carry, including its own weight, according to manufacturer’s specification.

**“Hire Car Costs”** means the amount paid by You to hire any Vehicle, but does not include running costs, Damage to the hire car, any insurance excess or other costs which You may be liable for under the hire car agreement.

**“Included Accessories”** means accessories fitted or installed to upgrade or improve Your Vehicle’s specifications which are

not supplied as standard or as optional by the original Vehicle’s manufacturer on the specific Vehicle model insured by this Motorpack® Cover Section, but only whilst attached to, on, or within Your Vehicle.

**“Immediate Family”** means Your spouse, de-facto partner, parents, siblings and dependent children.

**“Loss”** means sudden physical loss, Damage or destruction to Your Vehicle caused by an unexpected event not otherwise excluded by this Motorpack® Cover Section. The Loss must occur at an identifiable time and place.

**“Market Value”** means Our assessment of the value (including GST) of Your Vehicle immediately prior to any Loss or Damage.

**“Material Damage Cover”** means if this is shown on Your Schedule, We will provide cover to You under Section 1 of Part A of the Motorpack® Cover Section only.

**“Mechanical Breakdown”** means the actual breaking, burning out or malfunction of any part of Your Vehicle (excluding such breakdown due to placing an incorrect type, or inappropriate fuel, lubricant or coolant into a Vehicle, or failing to place the correct or appropriate fuel, lubricant or coolant into a Vehicle.) whilst in the course of use within the limits specified by the manufacturer, as a result of internal, electronic, electrical or mechanical defect causing sudden stoppage of normal operation and necessitating repair before it can resume normal operation.

**“Mobile Plant”** means a self-propelled Vehicle or machine which is not normally registered for on road use and is used for excavating, digging, grading, scraping, drilling, lifting, pumping, spraying, loading and unloading, vacuuming and similar activities.

**“Part”** means one of the three covers provided by the Motorpack® Cover Section, comprising Part A - Commercial Motor, Part B - Heavy Motor and Part C - Mobile Plant & Equipment.

**“Personal Effects”** means personal items owned by You or Your employees, which are designed to be worn on the person, or carried about, but not:

- a) Money, cheques, financial transaction cards or negotiable instruments;
- b) tools or items used in connection with a business or occupation; or
- c) portable global positioning systems (GPS), mobile phones, laptops, iPads or computer tablets.

**“Reasonable Costs”** means appropriate and fair expenses which are not excessive or extreme in matters of pricing.

**“Section”** means a sub-division of a Part.

**“Standard/Optional Accessories”** means accessories fitted

# Motorpack®

## Part A – Commercial Motor

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or installed by the manufacturer of Your Vehicle as either standard or optional equipment on a specific model, but only whilst attached to, on, or within Your Vehicle.

**“Sum Insured”** means the Agreed Value or Market Value as shown in the Schedule, excluding Vehicle registration and compulsory third party insurance. The Sum Insured will include or exclude GST depending on the GST status of each Vehicle insured.

**“Third-Party”** means a person who is not the insured, or is not a person to whom cover is provided directly to by this Policy.

**“Third Party Property Damage Cover”** means if this is shown on Your Schedule, We will provide cover to You under Section 2, Part A of Motorpack® Cover Section only.

**“Third Party Property Damage Fire and Theft Cover”** means if it is shown on Your Schedule, We will only provide cover to You under Section 1, Part A of Motorpack® if Your Vehicle is stolen or lost or damaged due to fire, explosion or lightning. We will also provide cover to You under Sub-Section 2, Part A of Motorpack®.

**“Tool of Trade”** means use of Your Vehicle:

- a) for excavating, digging, grading, scraping, drilling, lifting, pumping, spraying, loading and unloading, vacuuming and similar activities;
- b) in the process of setting up for such operations and reverting from such operative format to a travel or transit configuration;
- c) whilst being moved simultaneously with or preliminary to or subsequent to, being used for excavating, digging, grading, scraping, drilling, lifting, pumping, spraying, loading and unloading, vacuuming and similar activities;
- d) whilst temporarily at rest prior to, or subsequent to, being used for excavating, digging, grading, scraping, drilling, lifting, pumping, spraying, loading and unloading, vacuuming and similar activities.

**“Total Loss”** means where We decide to pay You the Sum Insured or Market Value, whichever is less for the lost or damaged property. This is usually when the cost of repairs to Your Vehicle is more than the Sum Insured or Market Value less any amount We can obtain for the Vehicle’s salvage. Where a Total Loss settlement has been made the cover on Your Vehicle is fully used and therefore cancelled from the date of Loss, with no refund of Premium.

**“Vehicle”** means any machine, including attachments, that is designed to travel on wheels or self-laid tracks and to be propelled by a power source other than manual, or animal power, described in the Schedule; which have a Gross Vehicle Mass (GVM) of 4.5 tonnes or less and including Standard/Optional Accessories and other Included Accessories specified

in the Schedule. Vehicles does not mean Mobile Plant.

**“Vehicle Usage”** means the use of Your Vehicle which You have told Us and is shown in the Schedule.

### SECTION 1 – COVER FOR YOUR VEHICLE

Cover under this Section 1 will not apply where You have chosen Third Party Property Damage Cover.

We will pay:

- a) for Loss or Damage to Your Vehicle arising as a result of an Accident occurring during the Period of Insurance. At Our discretion, We will;
  - i) repair Your Vehicle; or
  - ii) pay the cost of repairing Your Vehicle; or
  - iii) pay You the Sum Insured or Market Value, whichever is less; or
  - iv) if Your Vehicle is within its first 24 months of original registration from new, replace Your Vehicle with a new Vehicle of similar make, model and series subject to local availability.

The maximum that We will pay in respect of Section 1 for any one Loss or all Losses arising from one event is the lesser of \$15,000,000 or the declared Sum Insured.

### SECTION 1 – ADDITIONAL BENEFITS

An Additional Benefit is only payable if it arises as a result of and directly in connection with a Loss payable under Section 1 - Cover for Your Vehicle of Part A of the Motorpack® Cover Section. The Additional Benefits will not serve to increase the maximum sum payable under Section 1 beyond \$15,000,000. The Additional Benefits are subject to all the exclusions, terms and conditions of Part A of the Motorpack® Cover Section and all the exclusions, terms and conditions of the Motorpack® Cover Section and Policy.

#### 1. Accessories

We will pay the Reasonable Costs to repair or replace Standard/Optional Accessories or Included Accessories that are disclosed and are listed in the Schedule under Included Accessories.

#### 2. Automatic Trailer Cover

We will pay for Damage to any two wheeled or box trailer owned by You whilst attached to Your insured Vehicle, up to a maximum of \$1,000.

#### 3. Death Benefit

Where as a result of an Accident You or Your Driver dies, payment will be made to the deceased’s next of kin, or to a

# Motorpack®

## Part A – Commercial Motor

beneficiary nominated in the deceased's will or last testament, for funeral expenses and assisting with Financial Stress to the next of kin, up to a maximum of \$25,000 per event. However, if You or Your Driver commits suicide, this benefit will not apply.

### 4. Disability Modifications

Where You or Your Driver have been injured and permanently disabled in an event involving Damage or Loss to Your Vehicle which Part A of the Motorpack® Cover Section covers, We will pay Reasonable Costs up to a maximum of \$5,000 any one event to carry out modification to Your Vehicle necessitated by Your or Your Driver's injuries and permanent disablement to allow the safe operation of Your Vehicle by You or Your Driver who has been the subject of such injury and permanent disablement.

### 5. Emergency Repairs

We will pay the Reasonable Costs of emergency repairs required to enable Your Vehicle to be moved to a place of safety, up to a maximum of \$2,000 per event.

### 6. Employee Vehicles

We will provide cover for employees Vehicles if Loss or Damage occurs while Your employee is using his or her Vehicle for the benefit of Your business or while You have instructed Your employee to conduct business on Your behalf while using his or her own Vehicle with Your permission, provided:

- a) This benefit will only apply to the Loss or Damage for which Your employee is not covered by any other contract of insurance or which is in excess of any benefit available under any other contract of insurance;
- b) Your employee has observed and fulfilled the terms and conditions of this Part A of the Motorpack® Cover Section as though Your employee were the insured.

The maximum We will contribute is \$25,000 per event.

### 7. Goods in Transit

We will pay for damage to Your goods or the goods of a Third Party whilst being carried or in Your Vehicle as the result of a Loss covered by this Section of Part A up to \$5,000 subject to additional \$250 Excess per event. This benefit will only apply to damage to Your goods or the goods of a Third Party if they are not covered by any other contract of insurance or for damage which is in excess of any benefit available under any other contract of insurance.

### 8. Hire Car following Theft

Where there is a Loss which is the result of the theft of the Vehicle, We will pay the Reasonable Costs of hiring a replacement vehicle of similar type to the Vehicle which has

been stolen, up to \$100 per day and to a maximum of \$2,100 per event. Cover will cease after a period of 21 days or when the Vehicle is returned to You in its pre theft condition or when We pay You for a Total Loss, whichever occurs first.

### 9. Immediate Family Travel Expenses

Where You, or Your Driver whilst driving Your Vehicle are injured and hospitalised as a result of an event covered by this Section 1 of Part A We will pay Reasonable Costs up to a maximum of \$3,000 any one Period of Insurance for travel, accommodation, meals and related expenses for You, or Your Driver's Immediate Family.

### 10. Keys and Locks

If the keys or locks to Your Vehicle are lost or damaged or if there are reasonable grounds to believe Your keys or locks may have been illegally duplicated as a result of the Loss, We will pay the Reasonable Costs of replacing Your Vehicle keys or locks up to a maximum of \$5,000 per Vehicle and a maximum of \$10,000 per event.

### 11. Leased or Financed Vehicle Payout

If, as a result of the Loss, Your Vehicle becomes a Total Loss and the Sum Insured (the Market Value or Agreed Value) is less than the amount owed by You under a lease or other finance agreement, subject to the difference between the outstanding finance and lesser of Market Value or the Sum Insured not exceeding 25% of the Market Value, We will pay the lessor or financier the actual payout figure net of any discount for early payment, less:

- a) any arrears of lease or finance payments and any interest on those arrears as at the date of Loss; and
- b) any applicable Excess.

### 12. Mechanical Breakdown

We will pay the Reasonable Cost of repairs to Your Vehicle resulting from Mechanical Breakdown provided that Your Vehicle is:

- a) less than 5 years old from its original manufacture and has travelled less than 100,000 kilometres at the date of such Mechanical Breakdown
- b) not used for the carriage of fare paying passengers
- c) not used by You as a courier in Your business
- d) less than 4.5 tonnes in Gross Vehicle Mass.

We will not pay more than \$2,000 in respect of any one Mechanical Breakdown, or more than the lesser of \$6,000 or the Market Value of Your Vehicle for all Mechanical Breakdowns in any one Period of Insurance.

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### 13. Personal Effects

We will pay the Reasonable Costs to replace or repair Your, or Your employees, Personal Effects which are not included on the Schedule as Included Accessories or Standard/Optional Accessories, as the result of a Loss to a Vehicle, up to a maximum of \$1,500 per event.

### 14. Removal of Debris

We will pay the Reasonable Costs that are necessarily incurred to clean up and remove debris from Your Vehicle or from goods falling or leaking from Your Vehicle, including the statutory fees of Fire, Police, Ambulance or other authorities involved in emergency services attendance. The maximum benefit We will pay is \$50,000 per event.

### 15. Repatriation of Driver

We will pay the Reasonable Costs of travel and accommodation expenses necessary for the repatriation of Your Driver to his or her home as the result of Loss or Damage to a Vehicle, up to a maximum of \$3,000 per event.

### 16. Repatriation of Vehicle

We will pay the Reasonable Costs for the return of Your Vehicle to You at Your premises that are closest to the repairer, or location of Your Vehicle as a result of theft, up to a maximum of \$1,000 per event, where Your Vehicle has been repaired or recovered following theft.

### 17. Replacement Glass Benefit

We will pay the Reasonable Cost to repair or replace the damaged fixed glass where the glass is damaged as the result of a Loss, up to a maximum of \$1,000 any one event. An Excess will not be applied to any claim under this benefit.

### 18. Replacement with a New Vehicle

If, as a result of a Loss, Your Vehicle is treated by Us as a Total Loss and at the time it is so determined to be a Total Loss and Your Vehicle is within 2 years of its original registration, We will replace Your Vehicle with one of a similar make and model, or, at Your option, pay You the Sum Insured or Market Value whichever is the less after deducting any Excess.

### 19. Signwriting

We will pay the Reasonable Cost of reinstating signwriting or fixed advertising signs, murals, special art work, or materials, forming a permanent part of Your Vehicle following Loss or Damage to Your Vehicle.

### 20. Towing

We will pay the Reasonable Costs of protection, removal and towing of the Vehicle to the nearest repairer following Loss or Damage to Your Vehicle.

### 21. Tyre Replacement

We will pay the Reasonable Cost of replacing a tyre with a new tyre of similar make and specification to the tyre that is damaged, when a tyre is damaged and unable to be used again as a direct result of Loss, provided that the condition of the damaged tyre's remaining tread conformed with all legal requirements at the time of Loss, and was not recapped or retreaded.

### 22. Uninsured Motorist Protection

Where Your Vehicle is insured only for Third Party Property Damage Cover or Third Party Property Damage, Fire and Theft Cover, as indicated in the Schedule, We will pay for damage to Your Vehicle caused by, or arising from, a collision with another Vehicle (other than vehicles owned by You or under Your control) provided that;

- a) the other driver is identified; and
  - i) has no insurance cover in respect of damage caused by such vehicle; and
  - ii) is substantially responsible for the Loss; and
- b) You agree that We can recover any amount We pay to You from the other driver on Your behalf; and
- c) You agree not to take separate action without Our written consent.

We will not pay more than \$10,000 under this Additional Benefit in respect of any one event.

## SECTION 1 – OPTIONAL ADDITIONAL BENEFITS

Where We have accepted a claim for Section 1 and You have elected to take the Optional Additional Benefit, We will pay:

### 1. Hire Car following Collision

Where Your Vehicle suffers Loss or damage as the result of an Accident and You are unable to use Your Vehicle We will pay the Reasonable Cost of hiring a replacement vehicle of similar type to the Vehicle that has been lost or damaged, up to \$100 per day and to a maximum of \$2,100 per event. Cover will cease after a period of 21 days or when the Vehicle is returned to You in its pre-Accident condition or when We pay You for a Total Loss, whichever occurs first.

This benefit is only available if noted on Your Schedule and You have paid an additional Premium for the cover.

## SPECIFIC EXCLUSIONS – APPLICABLE TO SECTION 1

### We will not pay:

- a) the costs to repair pre-existing damage; or
- b) for depreciation, wear and tear, rust, corrosion or

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## Part A – Commercial Motor

- mechanical, structural, electrical or electronic breakdown or failure, or non-performance; or
- c) damage to Your tyres caused by the application of brakes or by road punctures, cuts or bursts; or
- d) any loss arising because reasonable steps were not taken to protect or safeguard Your Vehicle; or
- e) any GST, fine, penalty or charge for which You are liable arising out of Your misrepresentation of, or failure to disclose, Your actual Input Tax Credit entitlement in the settlement of any claim or premium relating to the Policy; or
- f) any consequential loss or financial expenses incurred as a result of You not being able to Use Your Vehicle. This will not apply where this Section 1 of Part A of the Motorpack® Cover Section specifically provides cover for consequential loss or financial expenses incurred as a result of You not being able to Use Your Vehicle; or
- g) Loss arising from theft or conversion by a prospective purchaser; or
- h) Loss arising from failure of, or defect or fault in, the design or specification of Your Vehicle; or
- i) where You have chosen Third Party Property Damage, Fire and Theft Cover, for any Loss or Damage to Your Vehicle that does not directly result from fire, lightning, explosion or theft; or
- j) any Damage to the property of a Third Party or the personal injury or death of a Third Party; or
- k) Loss or Damage arising from Your Vehicle if it is being used as a Tool of Trade.

### SECTION 2 – COVER FOR DAMAGE TO THIRD PARTY PROPERTY

Cover under this Section will not apply where You have chosen Material Damage Cover Only.

#### We will pay for

The amount You are legally liable to pay for Loss or Damage to Third Party property as a result of an Accident arising out of the use of Your Vehicle or caused during loading/unloading of Your Vehicle.

Cover is extended to the following persons in relation to the use of the Vehicle:

- a) You;
- b) any person holding a valid driving licence for that type of Vehicle who is driving, using, or in charge of Your Vehicle with Your consent;
- c) any passenger in, or getting in, or getting out of Your Vehicle;

- d) Your employer or principal if Your Vehicle is being driven on their behalf with their consent.

The maximum that We will pay in respect of Section 2 of Part A is inclusive of all costs, expenses and the Additional Benefits in Section 2 of Part A is \$35,000,000, for any one Accident or series of Accidents resulting from the one original cause.

### SECTION 2 – ADDITIONAL BENEFITS

Where We have accepted a claim under Section 2 and subject to the exclusions listed in Section 2 "We will not pay" and all other terms and conditions of the Motorpack® Cover Section and Policy, We will also pay:

#### 1. Damage to Leased Premises

For Your legal liability for damage to property leased or rented by You where such damage is caused by Your Vehicle. The maximum We will pay under this additional benefit is \$100,000 any one event.

#### 2. Defence Costs

The Reasonable Costs of legal representation if Your driver is charged with careless driving causing death. The maximum We will pay under this additional benefit is \$10,000 for any one event.

#### 3. Goods being Carried, Loaded and Unloaded

For Your legal liability for damage to Third Party property caused by goods falling from Your Vehicle and including whilst goods are being loaded to and unloaded from Your Vehicle.

#### 4. Legal Costs

All legal costs and expenses incurred with Our written consent.

#### 5. Movement of Other Vehicles

For Your legal liability for damage to Third Party property arising out of You lawfully moving any vehicle parked in a position so as to prevent or impede the loading, unloading or legitimate passage of Your Vehicle.

#### 6. Non-Owned Vehicle

For Your legal liability for damage to Third Party property caused by or arising out of the use of any vehicle not described in the Schedule by You or hired to You while such Vehicle is being driven by any person who is licensed to drive that type of vehicle and is authorised by You and the owner of the Vehicle to use the Vehicle on Your behalf and in connection with Your business. We will not pay for damage to the Vehicle itself under this Additional Benefit.

#### 7. Non-Owned Vehicles in Your Car Park

For Your legal liability for damage to vehicles belonging to Your employees or visitors contained within a car park operated by You, provided the car park is not operated by You for reward.

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### 8. Supplementary Bodily Injury (other than "Compulsory Third Party")

The amount which You may be held legally liable to pay as compensation in respect of death, or bodily injury arising out of the use of Your Vehicle with Your consent, but only where cover for such bodily injury or death falls outside the scope of any compulsory statutory insurance scheme or accident compensation scheme.

This Additional Benefit will apply if all requirements of the 'We will Pay' paragraph of Section 2 are met, other than the requirement for Damage to Third Party property.

### 9. Towing Disabled Vehicles

For Your legal liability for damage to Third Party property occasioned whilst Your Vehicle is towing any disabled vehicle provided the disabled vehicle is not being towed for reward or financial gain.

### 10. Trailers

For Your legal liability for damage to Third Party property caused by or arising out of the use of any trailer attached to Your Vehicle provided that the number of trailers towed does not exceed the number permitted by law.

### SPECIFIC EXCLUSIONS – APPLICABLE TO SECTION 2

#### We will not pay for

- a) damage or loss to property belonging to or held in trust or in the custody or control of You or any entity or person entitled to indemnity under this Section 2; or
- b) any claim caused by or in connection with Your Vehicle, or any item of plant or equipment attached to Your Vehicle, whilst Your Vehicle is being used as a Tool of Trade; or
- c) Loss or Damage caused by or in connection with Your Vehicle if Your Vehicle is Mobile Plant; or
- d) claims caused by the discharge, dispersal, release or escape of any trade waste material; or
- e) any fines, penalties, or aggravated, exemplary or punitive damages; or
- f) claims in respect of bodily injury if You or any person using Your Vehicle with Your consent:
  - i) is partly or wholly entitled to indemnity under any compulsory statutory insurance scheme or accident compensation scheme; or
  - ii) would have been so entitled to indemnity but for the failure to insure or register Your Vehicle or lodge a claim or comply with a term or condition in accordance with the requirements of any such scheme;

This exclusion f) is included for abundant caution and applies notwithstanding the fact that Additional Benefit 8, Supplementary Bodily Injury (other than "Compulsory Third Party") only provides cover for personal injury where such injury or death falls outside the scope of any compulsory statutory insurance scheme or accident compensation scheme; or

- g) any claim resulting from death or bodily injury to any:
  - i) person driving and/or in charge of Your Vehicle;
  - ii) of Your employees;
  - iii) member of Your family; or
- h) Death or bodily injury if Your Vehicle is registered in the Northern Territory of Australia; or
- i) Damage or loss to Third Party property that is in or being carried by Your Vehicle if the Third Party property is in or being carried by Your Vehicle for hire and reward.

### GENERAL EXTENSIONS APPLICABLE TO ALL SECTIONS

#### 1. Automatic Additions and Deletions

We will cover any replacement or additional registered vehicle acquired by You during the Period of Insurance provided that:

- a) such vehicles are of a similar type to Vehicles insured by You at the commencement of the Period of Insurance;
- b) You notify Us within 30 days of acquiring any vehicle;
- c) cover will not exceed \$250,000 on any one vehicle unless notified to Us in writing; and
- d) You pay any additional premium that We tell You We require.

#### 2. Contractual Liability

We will cover You for liability for Third Party property damage arising under any undertaking, or indemnity, given or contracted for by You provided that such liability would have attached under the Policy in the absence of such an undertaking, or indemnity, or contract.

#### 3. L.P.G Conversion

The Policy includes cover for Your Vehicles which have been modified to operate on liquefied petroleum gas provided such modification has been carried out in accordance with the relevant statutory standard.

#### 4. Cross Liability

The words "You" and "Your" will be considered as applying to each party named in the Schedule in the same manner as if that party were the only party named therein and We waive Our rights of subrogation against each such party. However this extension will not increase any limits specified in the Motorpack® Cover Section.

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### 5. Other Interested Parties

In the event of any loss of or damage to property insured under this Part A which is subject to a lease or other financing arrangement whereby the financier retains security over the property, the financier will be an Insured under Part A of the Motorpack® Cover Section but only to the extent that the financier's remaining interest in the property insured under this Part A was affected at the time of the loss or damage to the insured property.

### 6. Sea Transportation

We will pay general average and salvage charges which are incurred whilst Your Vehicle is being transported by sea between places in Australia, provided You obtain Our consent before You sign any general average bond and We are satisfied this is appropriate.

### 7. Subrogation Waiver

We will waive any rights, remedies, or relief to which We may become entitled by subrogation against any entity or person where You have been required by contractual agreement to release such party from liability.

#### GENERAL EXCLUSIONS – APPLICABLE TO ALL SECTIONS

We will not pay for Loss or liability:

- a) if Your Vehicle is driven by You or by any person with Your consent who is not licensed to drive Your Vehicle under any relevant law, but this exclusion will not apply where a person is driving Your Vehicle with Your consent and You can prove:
  - i) the driving licence produced to You by that person has been forged or was the subject of unauthorised alteration; or
  - ii) the forgery or unauthorised alteration could not have been reasonably discerned from the driving licence produced to You; or
  - iii) the driving licence produced would if it had been valid have authorised that person to drive the particular category or type of Vehicle which was to be driven with Your consent; or
  - iv) You did not know and could not reasonably have known that person did not have a licence to drive Your Vehicle;

However, We will not waive Our right of subrogation against that person; but where that person is a member of Your family or in another personal relationship with You, or where that person is Your employee and the loss occurred whilst he or she was acting in the course of his or her employment, We will not exercise Our subrogation rights except where there is serious or wilful misconduct on the part of that person.

- b) if Your Vehicle is driven by any person:
  - i) whose faculties are impaired or could reasonably be assumed to be impaired, by any drug or intoxicating liquor; or
  - ii) who is convicted of driving, at the time of Loss, under the influence of any drug or intoxicating liquid; or
  - iii) with a percentage of alcohol or drugs in their breath, blood or urine in excess of the percentage permitted by law; or
  - iv) who refuses to provide or allow the taking of a sample of breath, blood or urine for testing or analysis as required by law.

However, We will pay if You did not know or could not reasonably have known that the driver of Your Vehicle was so affected, or would refuse to undergo an appropriate test at the time of the Loss provided this driver has not to Your knowledge been so affected on a previous occasion, but We will not cover the driver of Your Vehicle.

- c) if Your Vehicle is used whilst in an unsafe or un-roadworthy condition and such condition caused or contributed to the Loss or legal liability. However, We will pay where You could not have reasonably detected the unsafe or un-roadworthy condition, provided Your Vehicle is regularly serviced in accordance with its manufacturer's instructions;
- d) if Your Vehicle is used to carry a greater number of passengers or convey, lift, suspend or tow a load in excess of that for which Your Vehicle was designed, constructed or permitted by law. However, We will pay, if You prove that the Loss or legal liability was not caused, or contributed to, by such use;
- e) intentionally caused by You or by a person acting with Your consent;
- f) incurred whilst Your Vehicle is being used:
  - i) in connection with the motor trade for experiments, trials, demonstration or breakdown purposes; or
  - ii) in racing, pacemaking, reliability trials, speed or hill climbing tests or whilst being tested in preparation thereof; or
  - iii) for, or being tested in preparation for, any race, trial, test, contest or other motor sport, or any driver training course conducted without Our written consent; or
  - iv) for carrying passengers for hire or reward other than under a private pooling arrangement; or
  - v) for any illegal purpose with Your knowledge or consent.
- g) resulting from lawful seizure or other operation of law;

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- h) occurring whilst Your Vehicle is:
  - i) on rails other than as cargo; or
  - ii) not running solely on terra firma; or
  - iii) in an underground mine, mining shaft, or tunnels which are not public roads; or
  - iv) operating within the confines of any airport including aprons.
- i) for Damage to Your Vehicle including any agitator, barrel, bowl or pump and its fittings caused by the hardening or setting of concrete.
- j) of any nature, directly or indirectly caused by, resulting from, or in connection with asbestos.
- k) arising directly or indirectly as a result of Your Vehicle being driven or Used whilst either the dimensions of the load (including any load projection limit) or the mass limit of the Vehicle (or its axles) are exceeded. However if an oversize or over mass Vehicle permit has been obtained and the load is being carried in accordance with such a permit, this exclusion will not apply.
- l) if Your Vehicle is being used for the commercial transportation of Dangerous Goods as defined in the Australian Code for the Transport of Dangerous Goods by Road or Rail. However, if transportation complies with such Code and We agree to provide cover and this is shown on the Schedule then the maximum We will pay in respect of all claims arising out of one accident is \$5,000,000 unless otherwise noted in the Schedule or excluded in the Motorpack® Cover Section or the Policy.
- m) in respect of bodily injury if You or any person using Your Vehicle with Your consent:
  - i) is partly or wholly entitled to indemnity under any compulsory statutory insurance scheme or accident compensation scheme; or
  - ii) would have been so entitled to indemnity but for the failure to insure or register Your Vehicle or lodge a claim or comply with a term or condition in accordance with the requirements of any such scheme.
- n) in respect of any claim for loss or damage of whatsoever kind arising directly or indirectly out of:
  - i) the corruption, destruction or alteration of or damage to data, coding, programme or software; or
  - ii) the unavailability of data or reduction in the functionality, availability or operation of hardware, software and embedded chips; or
  - iii) any business Interruption losses resulting there from. This exclusion will not apply where such loss or damage occurs as a direct result of physical damage which is otherwise covered in Part A of the Motorpack® Cover Section.

- o) any GST, or any fine, penalty or charge for which You are liable arising out of Your misrepresentation of, or failure to disclose, Your actual Input Tax Credit entitlement in the settlement of any claim or premium relating to the Motorpack® Cover Section .

#### GENERAL CONDITIONS – APPLICABLE TO ALL SECTIONS

##### 1. Repairs

- a) Choice of Repairer and control of repairs

You may choose a preferred repairer from the Partnered Repair Network or Your own licensed repairer, but before repairs are authorised:

- i) You must obtain Our written agreement; and
- ii) You must make Your Vehicle available for Our inspection.

We reserve the right to:

- i) determine the method of repairs; and
- ii) to make enquiries to ensure that the repairs are carried out satisfactorily and that the parts used for repairs are new or are consistent with the age and condition of Your car; and
- iii) if required, seek an alternative competitive repair estimate.

- b) Use of parts

Parts used in the repair of Your Vehicle will be new original manufacturer's parts, or if unavailable, new parts not manufactured by the original manufacturer or their supplier, provided that the parts comply with the applicable Australian Design Rules.

Recycled parts (original manufacturer's parts or other parts meeting Australian Design Rules) will only be used where new parts are not available. If recycled parts are used they will be those which in Our opinion are consistent with the age and condition of Your Vehicle.

If We have paid or agreed to pay a claim under this Policy and any part of Your Vehicle is unavailable in Australia, Our liability for the cost of freighting that part to Australia will be limited to that arising from sea transportation only. We will not pay an international air freight charge or an amount exceeding the manufacturer's list price for any part, unless the charge or amount is incurred with Our prior consent.

- c) Subletting of repairs

If the repairer needs to engage the services of a specific specialist repairer and/or supplier that repairer may sublet some of the repair work to such specialist repairer or supplier.

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## Part A – Commercial Motor

### d) Partnered Repair Network

We have established a network of preferred repairers. These repairers must meet Our stringent acceptance criteria which requires a high standard of repair and service.

When You use one of Our preferred repairers You do not need to shop around for quotes and We will guarantee the quality of the workmanship and materials used in the repair. You will only be entitled to the Repair Guarantee described below if You choose to use a preferred repairer from the Partnered Repair Network.

Our Repair Guarantee is that We will guarantee the workmanship and materials on all repairs which are authorised by Us and completed by a member of the Partnered Repair Network, for the duration of the period that You own or lease the Vehicle. We will arrange for any unsatisfactory repairs to be inspected and if necessary, rectification to be carried out.

### e) Repairs at a non-Partnered Repairer selected and authorised by Us

We may select a repairer other than one from Our Partnered Repair Network, where a Partnered Repairer is not available for reasons of Your or Your Vehicle's geographical location or the workloads of Partnered Repairers.

Where We select a repairer other than one from Our Partnered Repair Network and authorise the repairs We will in accordance with the General Insurance Code of Practice accept responsibility for the quality of workmanship and materials.

### f) Repairs at a repairer selected by You

You may choose Your own repairer, but if You do, We may require You to provide two quotes for the repair of Your Vehicle, including one from a repairer of Our choice.

If Your Vehicle is at Your chosen repairer and We want to obtain an alternative quote for repairs, We may arrange to move Your Vehicle to another repairer at Our expense. In accordance with the General Insurance Code of Practice We will not pay for the rectification of any repairs which We have not authorised or not selected.

Where Your Vehicle has been repaired by a repairer of Your choice, Our guarantee of workmanship and materials on repairs authorised by Us will be as required by any law or statute and in accordance with the General Insurance Code of Practice.

## 2. Claims Procedures

### a) In the event of a Loss or Accident which may become the subject of a claim under the Motorpack® Cover Section You must immediately forward to Us:

- i) full details in writing;
- ii) any communication or court documents received.

### b) In respect of each claim or potential claim, You must:

- i) not make any admission of guilt or offer of payment without Our written consent;
- ii) allow Us to have the sole conduct of all negotiations and proceedings;
- iii) give Us all reasonable assistance and co-operation in all aspects including recovery from the responsible person;
- iv) notify Us of any other insurance that also provided cover, whether in whole or in part;
- v) notify the Police as soon as possible in respect of theft of or malicious damage to Your Vehicle;
- vi) permit Us to initiate legal proceedings in Your name against any person and sign any documents necessary for that purpose.

## 3. Entitlement

Any person or entity entitled to cover under the Policy is only entitled to such indemnity subject to the terms, conditions and exclusions of the Motorpack® Cover Section and this Policy.

## 4. Excess

You have to contribute the Excess shown in the Schedule and of the following additional amounts if the driver of Your Vehicle is:

- a) aged less than 21 years of age at the time of loss, then an additional amount of \$1,500 is payable;
- b) aged 21 and less than 25 at the time of the loss, then an additional amount of \$1,000 is payable;
- c) aged 25 and over and has less than 2 years licensed driving experience, then an additional amount of \$500 is payable.

However, You will not have to contribute the Excess if, in Our opinion, the Loss was not Your fault and You can provide Us with the name, current address and vehicle registration number of the person responsible for the Loss.

## 5. Transfer of Interest

No interest in the Motorpack® Cover Section can be transferred without Our written consent.

## 6. Duty of Care to Mitigate Loss

You must exercise reasonable care and take precautions to mitigate Loss and ensure safety of any Vehicle insured under this Motorpack® Cover Section. In particular, You must not leave Your Vehicle unlocked and unattended or leave the ignition keys in the Vehicle and should You do so We will not be liable for any claim resulting from these situations. In taking such reasonable care and precautions You must also in so doing, maintain Your Vehicles in a safe working and roadworthy condition, conduct safe work practices, employ a competent and suitably qualified Driver. You must also discharge Your legal obligations imposed by the relevant authorities and government bodies.

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## Part B – Heavy Motor

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## DEFINITIONS

In Part B of the Motorpack® Cover Section the following words have a special meaning. The definitions below apply only to Part B of Motorpack® Cover Section and override all other definitions, including the General Definitions applying to all Cover Sections of the Policy and the other definitions contained in the other Parts of the Motorpack® Cover Section. The singular shall include the plural and vice versa, except where the context otherwise requires.

**“Accident” or “Accidental”** means unintended, unforeseen, fortuitous or unanticipated happening or mishap, which is not expected or designed

**“Aviation Works”** means any of the following work:

- a) the refuelling of aircraft; or
- b) the construction, alteration, repair, restoration, maintenance, extension, demolition or dismantling of buildings, runways or structures (whether permanent or not) forming, or to form part of the airport areas; or
- c) the installation, alteration, repair, or maintenance or fittings, including lighting, power supply, drainage, sanitation, water supply, gas supply, fire protection, security and communications systems in any of the airport areas; or
- d) any operation on any of the airport areas involving site clearance, earthmoving, excavation, tunnelling, boring, laying of foundations, erection or dismantling of scaffolding, site restoration, landscaping and the provision of roadways and other access works.

However, Aviation Works do not extend to vehicular movements within the airport perimeter conducted in accordance with the guidelines and regulations established by the relevant regulatory authority.

**“Damage”** means any physical Loss, or destruction as appropriate to describe the type of Loss suffered.

**“Dangerous Goods”** means Freight that consists of goods defined as dangerous in the Dangerous Goods Code.

**“Dangerous Goods Code”** means the current Australian Code for the Transport of Dangerous Goods by Road and Rail.

**“Dogs”** means a load binder used in conjunction with a chain to secure a load.

**“Downtime”** means the period of time during which Your Vehicle cannot be used by You as a result of an event causing Loss or Damage to that Vehicle.

**“Driver”** is a person who is suitably qualified, experienced and competent and who is a Reasonable Person, employed or hired to drive Your Vehicle.

**“Dry Hire”** means the hiring out of Your Vehicle without a Driver.

**“Emergency Accommodation”** means temporary accommodation required at short notice.

**“Excess”** means the amounts specified in the Schedule and elsewhere in the Motorpack® Cover Section which You must contribute to each and every claim in respect of each and every Vehicle. Excesses shall be cumulative across all Parts of the Motorpack® Cover Section and within each Part of the Motorpack® Cover Section.

**“Financial Stress”** means inability to meet debt repayments and daily living costs.

**“Fixed Costs”** means pre-existing business costs, or overheads relating to the operation of Your business applying regardless of the use and operation of Your Vehicle.

**“Freight”** means goods transported by Your Vehicle for hire and reward.

**“Gross Vehicle Mass (GVM)”** means the maximum weight a Vehicle can carry, including its own weight, according to manufacturer's specification.

**“Immediate Family”** means Your spouse, de-facto partner, parents, siblings and dependent children.

**“Included Accessories”** means accessories fitted or installed to upgrade or improve Your Vehicle's specifications which are not supplied as standard or as optional by the original Vehicle's manufacturer on the specific Vehicle model insured by this Policy, but only whilst attached to, on, or within Your Vehicle.

**“Insured”** means the entity or person named as such in the Schedule.

**“Liability” or “Liable”** means a legal liability to another.

**“Loading/Unloading”** means the process of placing goods on, or removing goods from, Your Vehicle whilst it is stationary.

**“Loss”** means sudden physical Loss, Damage or destruction to Your Vehicle caused by an unexpected event not otherwise excluded by this Motorpack® Cover Section. The Loss must occur at an identifiable time and place.

**“Market Value”** means Our assessment of the value (including GST) of Your Vehicle immediately prior to any Loss or Damage.

**“Mobile Plant”** means a self-propelled Vehicle, or machine, which is not normally registered for on road use and is used for excavating, digging, grading, scraping, drilling, lifting, pumping, spraying, loading and unloading, vacuuming and similar activities.

**“Nominated Driver”** means a person who has completed a Driver questionnaire, been approved by Us, and has been listed in the Schedule as a Nominated Driver.

**“Part”** means one of the three covers provided by the Motorpack® Cover Section, comprising: Part A Commercial

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## Part B – Heavy Motor

Motor; Part B Heavy Motor; and Part C Mobile Plant & Equipment.

**“Permanently Attached Plant”** means a piece of equipment which cannot be easily removed and is necessary for Your Vehicle to operate in the ordinary course of Your business. This may include a crane arm, hydraulic lifting equipment, concrete bowls, tilt trays, concrete pumping equipment and similar equipment that stated in the Schedule.

**“Pollutants”** means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acid, alkalis, chemicals, asbestos and any waste material regardless of whether or not such material is to be recycled, reconditioned or reclaimed by You or any other person.

**“Principal”** means a person for whom You act as agent or representative and includes the Commonwealth of Australia or a State of Territorial Government.

**“Professional Indemnity Policy”** means an insurance contract providing Liability cover for negligent advice or work carried out by an individual with particular skills or knowledge, or qualifications, or experience.

**“Reasonable Costs”** means appropriate and fair expenses which are not excessive or extreme in matters of pricing.

**“Reasonable Person”** has the meaning established at common law.

**“Section”** means a sub-division of a Part.

**“Standard/Optional Accessories”** means accessories fitted or installed by the manufacturer of Your Vehicle as either standard or optional equipment on a specific model, but only whilst attached to, on, or within Your Vehicle.

**“Sum Insured”** means the amount shown in the Schedule for which Your Vehicle is insured.

**“Third-Party”** means a person who is not the Insured, or is not a person to whom cover is provided directly to by this Policy.

**“Third Party Details”** means information identifying a Third- Party and includes, but is not limited to, details of his or her: name; address; driving licence number; telephone number; vehicle registration number; and insurance details.

**“Total Loss”** means where We decide to pay You the Sum Insured or Market Value, whichever is less for the lost or damaged property. This is usually when the cost of repairs to Your Vehicle is more than the Sum Insured or Market Value less any amount We can obtain for the Vehicle’s salvage. Where a Total Loss settlement has been made the cover on Your Vehicle is fully used and therefore cancelled from the date of Loss, with no refund of Premium.

**“Tool of Trade”** means use of Your Vehicle for any of the following:

- for excavating, digging, grading, scraping, drilling, lifting, pumping, spraying, loading and unloading, vacuuming and similar activities;
- in the process of setting up for such operations and reverting from such operative format to a travel or transit configuration;
- while being moved simultaneously with or preliminary to or subsequent to, being used for excavating, digging, grading, scraping, drilling, lifting, pumping, spraying, loading and unloading, vacuuming and similar activities; and
- while temporarily at rest prior to or subsequent to being used for excavating, digging, grading, scraping, drilling, lifting, pumping, spraying, loading and unloading, vacuuming and similar activities.

**“Vehicle”** means any machine, including attachments, that is designed to travel on wheels or self-laid tracks and to be propelled by a power source other than manual or animal power described in the Policy Schedule which have a Gross Vehicle Mass (GVM) of more than 4.5 tonnes and including Standard/Optional Accessories and other Included Accessories specified in the Schedule. Vehicles will not include Mobile Plant.

### THE AGREEMENT

After You have agreed to pay the Premium to Us within the time frame agreed, We will indemnify You against Loss or Liability as described occurring within Australia, during the Period of Insurance.

Subject to the Vehicles and information shown in Your Schedule, one or more of the following options will apply:

### SECTION 1 – COVER FOR YOUR VEHICLE

We will indemnify You for Loss by paying, at Our option:

- to repair or replace Your Vehicle, or
- the amount of the Loss, provided payment does not exceed the Sum Insured or Market Value, whichever is the less.

If the cost of repairs to Your Vehicle is more than the Sum Insured or Market Value, whichever is less (less any amount We can obtain for the salvage), We will treat it as a Total Loss and pay You, after deducting any Excess, the lesser of the Sum Insured or Market Value.

When a Total Loss settlement has been made, the cover on Your Vehicle is cancelled with no refund of premium. At Our option, salvage will be retained by Us.

If more than one Vehicle insured under this Motorpack® Cover Section is lost or damaged as a result of one event the

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## Part B – Heavy Motor

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maximum that We will pay under Section 1 of Part B for that event is the lesser of:

- \$15,000,000; or
- the combined Sum Insured or Market Value, whichever is less, plus any Included Benefit entitlement amount of Your Vehicles involved in the event.

### INCLUDED BENEFITS – APPLICABLE TO SECTION 1

An Included Benefit is only payable if it arises as a result of and directly in connection with a Loss payable under Section 1 of Part B of the Motorpack® Cover Section. The Included Benefits will not serve to increase the maximum sum payable under Section 1 of Part B beyond \$15,000,000.

#### 1. Accessories

We will pay the Reasonable Costs to repair or replace fixed accessories provided that they are disclosed and are listed in the Schedule under either Standard/Optional Accessories or Included Accessories.

#### 2. Death Benefit

Where as a result of an Accident You or Your Driver dies, payment will be made to the deceased Driver’s next of kin, or to a beneficiary nominated in Your or Your deceased Driver’s will or last testament, for funeral expenses and assisting with Financial Stress resulting from Your or Your Driver’s death which is experienced by his or her next of kin, up to a maximum of \$25,000 per event. However, if You or Your Driver commit suicide, this benefit will not apply.

#### 3. Emergency Accommodation

We will pay the Reasonable Costs of Emergency Accommodation for You or Your Driver, where required as a result of the Loss up to a maximum of \$3,000 per event. This does not include any cost to repatriate You or Your Driver to his or her home.

#### 4. Emergency Repairs

We will pay the Reasonable Costs of emergency repairs required to enable Your Vehicle to be moved to a place of safety up to a maximum of \$10,000 per event.

#### 5. Finance Payments

If You cannot use Your Vehicle as a result of the Loss or Damage and it is subject to a pre-existing finance agreement, We will pay the daily pro-rata finance payment for the period from the date of Loss to the date of completion of repairs, provided that:

- the maximum We will pay in respect of this Included Benefit is \$8,000 any one Period of Insurance; and

- We will not pay any Vehicle finance payment in relation to any period after Your Vehicle has been repaired.

#### 6. First Aid Kit Expenses

Where You, or Your Driver have been involved in an event causing injury to a Third-Party and the event involves Loss or Damage to Your Vehicle which is covered by Part B of the Motorpack® Cover Section, We will pay Your or Your Driver’s Reasonable Costs up to a maximum \$2,500 for any one event towards Your or Your Driver’s first aid costs regarding the Third-Party, but only to the extent that such first aid has been administered and only to the extent these costs are not medical expenses which We are prohibited from providing cover for under either or both of the *Health Insurance Act 1973 (Cth)* or the *Private Health Insurance Act 2007 (Cth)*.

#### 7. Immediate Family Travel Expenses

Where You, or Your Driver, while driving Your Vehicle are injured and hospitalised as a result of an event covered by this Policy, We will pay Reasonable Costs up to a maximum of \$3,000 during any one Period of Insurance for travel, accommodation, meals and related expenses for You and Your Immediate Family or Your Driver and his or her Immediate Family.

#### 8. Hire Substitute Vehicle

We will pay the Reasonable Costs incurred to hire a replacement vehicle of a similar type to that which has suffered Loss or Damage. The maximum We will pay is the lesser of \$5,000, or four weeks hire, subject to a Loss being payable by Us for either:

- Your Vehicle being damaged and unusable as a result of Accidental Damage; or
- Your Vehicle being stolen.

This Included Benefit is subject to a seven day Excess which means that You must pay the first seven days of Vehicle hire charges prior to Us paying such charges. A day means each day that a daily hire charge has been incurred. However, We will not pay hire Vehicle charges from the date Your Vehicle has been repaired, or a replacement Vehicle provided by Us, or from the date We pay for the Total Loss of Your Vehicle.

For example: if a Hire Vehicle is used for 32 days at a cost of \$100 per day while the insured Vehicle is being repaired, We deduct a 7 days Excess and reimburse 25 days hire Vehicle charges, amounting to \$2,500.

#### 9. Keys and Locks

If the keys or locks to Your Vehicle are lost or damaged or if there are reasonable grounds to believe Your keys or locks may have been illegally duplicated as a result of the Loss, We will pay the Reasonable Costs of replacing Your Vehicle keys



## Motorpack® Part B – Heavy Motor

and/or locks up to a maximum of \$10,000 during any one Period of Insurance.

### 10. Leased or Financed Vehicle Payout

If, as a result of the Loss, Your Vehicle becomes a Total Loss and the Market Value or Sum Insured, whichever is less, is less than the amount owed by You under a lease or other finance agreement, subject to the difference between the outstanding finance and lesser of Market Value or the Sum Insured not exceeding 25% of the Market Value, We will pay the leaser or financier the actual payout figure net of any discount for early payment, less:

- any arrears of lease or finance payments and/or any interest on those arrears as at the date of Loss and
- any applicable Excess.

### 11. Non-Owned Trailer

We will pay, for a trailer connected to Your Vehicle provided the trailer is in Your or Your Driver's control and not owned, mortgaged or otherwise financed by You and the trailer is being towed in the course of Your Business up to:

- the Market Value or the Sum Insured disclosed to Us and shown in Your Schedule whichever is less; or
- \$100,000 for any one event where the trailer was not disclosed to Us and is not stated on the Policy Schedule, so long as the loss or damage occurred within 7 days of the date the trailer being hired or borrowed.

However this Included Benefit is subject to \$2,500 Excess for any one event.

### 12. Personal Effects

We will pay the Reasonable Costs to replace or repair Your, or Your Drivers' personal effects (excluding Money and negotiable instruments) not included on the Schedule as Included Accessories or Standard/Optional Accessories as a result of a Loss to a Vehicle, up to a maximum of \$3,000 per event.

### 13. Removal of Debris

We will pay the Reasonable Costs that are necessarily incurred to clean up and remove debris from Your Vehicle or from goods falling or leaking from Your Vehicle, including the statutory fees of Fire, Police, Ambulance or other authorities involved in emergency services attendance. We will not pay more than \$50,000 under this Included Benefit in respect of all claims arising from one event. Payment of this Included Benefit is only applicable for Reasonable Costs that are not covered by or are in excess of any claim benefit available under any inland marine, or road freight cargo insurance policy covering Freight in transit.

### 14. Removal or Retrieval Costs

We will pay the Reasonable Costs of removal, or retrieval of Your Vehicle (excluding debris or Freight) to the nearest repairer, or nearest place of safety or to any other location approved by Us, as a result of a Loss or Damage to that Vehicle other than by theft, up to a maximum of \$50,000 per event.

### 15. Repatriation of a Driver

We will pay the Reasonable Costs of travel and accommodation expenses necessary for the repatriation of Your Driver to his or her home, as a result of Loss or Damage to that Vehicle up to a maximum of \$5,000 per event.

### 16. Repatriation of a Vehicle

The Reasonable Cost for the return of Your Vehicle to You at Your Premises that are closest to the repairer, or location of Your Vehicle as a result of theft, up to a maximum of \$25,000 per event, where Your Vehicle has been repaired or recovered following theft.

### 17. Replacement with a New Vehicle (Total Loss of a Vehicle)

If, as a result of a Loss, Your Vehicle is treated by Us as a Total Loss and at the time it is so determined to be a Total Loss and Your Vehicle is within 2 years of its original registration, We will replace Your Vehicle with one of a similar make and model, or, at Your option, pay You the Sum Insured or Market Value whichever is the less after deducting any Excess.

### 18. Reward for Recovery of a Stolen Vehicle

Where Your Vehicle has sustained a Loss by a theft, We at Our option will pay a reward to obtain the recovery of the Vehicle, where with Our prior written consent that reward has been offered by You. We will pay the amount specified in Our prior written consent to You, which shall not exceed a maximum 2.5% of the Sum Insured, or \$10,000 whichever is the less, for any one incident of theft.

### 19. Signwriting

We will pay the Reasonable Costs of signwriting or fixed advertising signs, murals, special art work, or materials, forming a permanent part of Your Vehicle following Loss or Damage to Your Vehicle.

### 20. Tarpaulins, Gates, Chains, Dogs and Straps

We will pay for the Reasonable Costs to repair or replace tarpaulins, gates, chains, Dogs and straps lost or damaged as a result of a Loss, up to a maximum of \$5,000 per event. However this Included Benefit will not apply to any theft claim, unless Your Vehicle has been stolen at the same time.

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### 21. Trauma Counselling

We will pay the Reasonable Costs for counselling for You, Your Drivers or the Immediate Family of You or Your Drivers following:

- Your death if it arose from the Accident which caused the Loss, or
- the death of Your Driver if it arose from the Accident which caused the Loss, or
- the death of any other person if it arose from the Accident which caused the Loss and either You or Your Driver was present at the Accident scene when it occurred.

We will pay for trauma counselling up to a maximum \$5,000 per event. The trauma counselling must be directly arranged by Us. The cover is only provided to the extent that any payment does not comprise medical expenses which We are prohibited from providing cover for under either or both of the *Health Insurance Act 1973 (Cth)* or the *Private Health Insurance Act 2007 (Cth)*.

### 22. Vehicle Modification

Where You or Your Driver have been injured and permanently disabled in an event involving Damage or Loss to Your Vehicle to which this Motorpack® Cover Section covers, We will pay Reasonable Costs up to a maximum \$10,000 any one event to carry out modification to Your Vehicle necessitated by Your or Your Driver's injuries and permanent disablement to allow the safe operation of Your Vehicle by You or Your Driver who has been the subject of such injury and permanent disablement.

### OPTIONAL BENEFITS – APPLICABLE TO SECTION 1

#### 1. Downtime Protection

We will reimburse You for up to 12 weeks of Downtime experienced by Your Vehicle during the Period of Insurance as a result of Loss or Damage causing the loss of use of Your Vehicle, provided:

- You acquire a Substitute Vehicle of a similar type to Your Vehicle, and
- the included 'Hire Substitute Vehicle' benefit 8 in Section 1 has been exhausted; and
- Your Vehicle is not a Total Loss;

We will also pay Your further finance payments in excess of included 'Finance Payments' benefit 5 in Section 1, and any other Fixed Costs related to loss of use of Your Vehicle. The 'Downtime Protection' optional benefit is only available if noted on Your Schedule and You have paid an additional Premium for the cover.

### SPECIFIC EXCLUSIONS – APPLICABLE TO SECTION 1

#### We will not pay for:

- the costs incurred to repair pre-existing damage; or
- depreciation, wear and tear, rust, corrosion; or mechanical, structural, electrical or electronic breakdown or failure, or non-performance; or
- Damage to Your tyres by the application of brakes or by road punctures, cuts or bursts; or
- any Loss arising because reasonable steps were not taken to protect or safeguard Your Vehicle; or
- any GST, or any fine, penalty or charge for which You are liable arising out of Your misrepresentation of, or failure to disclose, Your actual Input Tax Credit entitlement in the settlement of any claim or premium relating to the Policy; or
- any Damage to the property of a Third-Party or the personal injury or death of a Third-Party.

The maximum that We will pay in respect of Section 1 of Part B is the lesser of \$15,000,000 for any one Loss or all Losses arising from one event, or the declared Sum Insured.

### SECTION 2 – LIABILITIES TO THIRD PARTIES

We will pay the amount which:

- You; or
- any person driving, using or in charge of Your Vehicle with Your consent; or
- any passenger in, getting in, or getting out of Your Vehicle,
- Your employer or principal if Your Vehicle is being driven on their behalf with their consent

may be held Liable to pay for Damage to property, premises and/or Loss of use of property, or premises, as a result of an Accident arising out of the use of Your Vehicle or caused during Loading/Unloading of Your Vehicle.

Provided that We will not pay for Liability for Damage to property, premises and/or loss of use of property, premises belonging to, or held in trust or in the custody or control of, any of the persons described in Clauses a), b), c) or d) of this Section.

We will also pay the amount which You may be held Liable to pay for personal injury or death of a Third Party as a result of an Accident arising out of the use of Your Vehicle or caused during Loading or Unloading of Your Vehicle provided cover for such injury or death falls outside the scope of any Commonwealth, State or Territory compulsory Third-Party motor vehicle insurance scheme or accident compensation scheme.

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## Part B – Heavy Motor

The maximum that We will pay in respect of Section 2 of Part B, inclusive of all costs, expenses and the Included Benefits of Section 2 of Part B, is \$35,000,000 for any one Accident or series of Accidents resulting from the one original cause. This limit of \$35,000,000 will not extend to liability where the event creating that Liability arises from Freight which includes any of the following Dangerous Goods where We agree to provide cover and this is shown on the Schedule:

Class 1 Explosives

Class 2.1 Flammable Gases

Class 2.2 Non Flammable Non-Toxic Gases

Class 2.3 Toxic Gases

Class 3 Flammable Liquids

Class 4.1 Flammable Solids

Class 4.2 Spontaneously Combustible Substances

Class 4.3 Dangerous When Wet

Class 5.1 Oxidizing Substances

Class 5.2 Organic Peroxides

Class 6.1 Toxic Substances

Class 8 Corrosives

Class 9 Miscellaneous Dangerous Goods (excluding asbestos)

where the maximum that We will pay including all costs, expenses and the Included Benefits of Section 2 of Part B is \$5,000,000, or any greater amount shown by endorsement in the Schedule for any one Accident or series of Accidents resulting from the one original cause.

### INCLUDED BENEFITS – APPLICABLE TO SECTION 2

Where there is Liability under Section 2 of Part B above We will pay (provided Our maximum Liability under Section 2 of Part B does not exceed \$35,000,000 or \$5,000,000 where the liability under Section 2 of Part B arises from Dangerous Goods and We agree to provide cover and this is shown on the Schedule).

#### 1. Employee Use of Vehicle Liability

To indemnify Your employee for Liability for Loss or Damage to Third-Party property arising while driving his or her own Vehicle for the benefit of Your business, or while You have instructed Your employee to conduct business on Your behalf while using his or her own Vehicle with Your permission, up to a maximum of \$25,000 for any one event. This benefit will only apply to that Liability of Your employee which is not covered by any other contract of insurance or which is in excess of any benefit available under any other contract of insurance.

#### 2. Employer, Principal or Business Partner

To indemnify Your employer, Principal or business partner and meet his or her legal costs incurred with Our consent for Liability for Damage or Loss to Third-Party property arising from Your Vehicle being used by You or any other licensed person with Your consent on behalf of Your employer, principal or business partner. This Included Benefit will only apply to that Liability of Your employer, Principal or business partner which is not covered by any other contract of insurance or which is in excess of any benefit available under any other contract of insurance.

#### 3. Freight Falling, Leaking or Spilling

For Liability to a Third-Party for Damage to Third-Party property not belonging to You caused by Freight falling, leaking or spilling from Your Vehicle (but excluding Damage to the Freight itself), while Your Vehicle is in transit, or during the course of Loading or Unloading.

#### 4. Legal Costs

Your legal costs and expenses incurred with Our written consent in respect of Your Liability to a Third-Party for Damage to that Third-Party's property as a result of the use of Your Vehicle.

#### 5. Loading/Unloading – Permanently Attached Plant

For Liability to a Third-Party for Damage to that Third-Party's property arising out of the use of Permanently Attached Plant to Your road registered Vehicle required for Loading/Unloading, which is part of the ordinary course of conducting Your business.

#### 6. Non-Owned Trailer

For Liability to a Third-Party for Damage to a Third-Party's property arising out of use of a trailer connected to Your Vehicle, provided the trailer is in Your or Your Driver's control and not owned, mortgaged, leased or otherwise financed by You. There is no cover for Your Liability to the owner of the trailer for Damage to the trailer itself. However, there is cover for Material Damage under Part B, Section 1's Included Benefit: '11. Non-Owned Trailer'. This benefit is subject to an Excess of the greater of \$2,500 or the amount stated in the Schedule for any one event.

#### 7. Vehicle Under Tow

For Liability for Loss or Damage to a disabled Vehicle under tow by Your Vehicle for the purpose of recovery, provided You are not performing this Vehicle recovery for hire, reward, or to secure salvage rights.

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### SPECIFIC EXCLUSIONS – APPLICABLE TO SECTION 2

We will not pay for any Liability whatsoever:

1. caused by or in connection with Your Vehicle if Your Vehicle is Mobile Plant; or
2. caused by or in connection with Your Vehicle when Your Vehicle is being used as a Tool of Trade; or
3. arising from Freight in respect of Dangerous Goods where:
  - a) the requirements of the Dangerous Goods Code have not been complied with; or
  - b) the Dangerous Goods fall within 'Class 6.2 Infective Substances' or 'Class 7 Radioactive Substances' as defined under the Dangerous Goods Code; or
4. in connection with, or directly or indirectly caused by, or directly or indirectly arising from asbestos, asbestos products or asbestos contained in any products; or
5. for any fines, penalties, punitive, exemplary or aggravated damages; or
6. arising from an event occurring on a public road if Your Vehicle is not registered for use on a public road; or
7. arising from the use of any trailer that You do not own while it is in Your custody, or control, and is connected to Your Vehicle at the time of Loss, beyond the Liability covered in Section 2 of Part B Included Benefit '6. Non-Owned Trailer'; or
8. in respect of death or bodily injury if You or any person using, or in control of, Your Vehicle with Your consent:
  - a) is partly or wholly entitled to indemnity under any compulsory statutory insurance scheme or accident compensation scheme; or
  - b) would have been entitled to indemnity under any such scheme but for failure to:
    - i) insure or register Your Vehicle; or
    - ii) make a claim in accordance with its requirements; or
    - iii) comply with any of its terms or conditions; or
9. for death or bodily injury to any:
  - a) person driving and/or in charge of Your Vehicle; or
  - b) of Your employees; or
  - c) members of Your family, or
  - d) person if Your Vehicle is registered in the Northern Territory of Australia.

This exclusion 9, is included for abundant caution and applies notwithstanding the fact that the insuring clause only provides cover for personal injury where such injury or death falls outside the scope of any Commonwealth, State or Territory compulsory Third-Party motor vehicle insurance scheme or accident compensation scheme; or

10. for death, bodily injury, property damage, financial loss, or loss of use of property or any consequential loss:
  - a) directly or indirectly arising out of the discharge, dispersal, release or escape of Pollutants; or
  - b) for the cost of removing nullifying or cleaning up of Pollutants; or
  - c) for fines, penalties, punitive or exemplary damages arising directly or indirectly out of the discharge, dispersal, release or escape of Pollutants.

However, We will indemnify You in respect of Liability:

- i) otherwise excluded under 10 a) and b) above; and
  - ii) which is caused by a sudden, identifiable, unintended and unexpected event, which takes place in its entirety at a specific time and place; and
  - iii) does not involve providing any cover for Your Liability for personal injury or death of a Third-Party, arising out of the use of Your Vehicle; unless cover for such injury or death falls outside the scope of any State or Territory compulsory Third-Party motor vehicle insurance schemes or accident compensation scheme; or
11. for:
    - a) the wrongful delivery of Freight; or
    - b) the delivery of contaminated or spoiled Freight; or
  12. while Your Vehicle is being used:
    - a) in underground mine, mining shaft, or tunnel which is not a public road; or
    - b) within the boundaries of any airport or airfield; or
  13. which could be covered by a Professional Indemnity Policy; or
  14. arising in any way from the structural maintenance of dams, reservoirs or weirs; or
  15. arising in any way from Aviation Works; or
  16. arising in any way from the construction, maintenance or repair of oil and gas wells or refineries; or
  17. arising in any way from structural ship building or repair.

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## Part B – Heavy Motor

### GENERAL EXTENSIONS – APPLICABLE TO ALL SECTIONS

#### 1. Automatic Inclusion of Vehicles and Trailers

We will automatically provide You with cover for any substitute or replacement vehicle or trailer purchased, hired, leased, or otherwise acquired, from the time of purchase, hire, lease or acquisition. Provided You agree to notify Us within 30 days of the purchase, hire, lease or acquisition of any vehicles and trailers.

However You must tell Us immediately where:

- the vehicle has a Market Value in excess of \$500,000, or
- as a result of the acquisition of the vehicle the total value, of all Your Vehicles exceeds the total Sum Insured declared at the commencement of the Motorpack® Cover Section by 25%; or
- as a result of the acquisition of the vehicle the total number of all Your Vehicles exceeds by 25% of the total number of vehicles and trailers disclosed at the start of the current Period of Insurance; or
- You acquire the vehicle as a result of Your being involved in a merger or takeover; or
- the acquisition of the vehicle results in a material change in business activity from Your normal operations which You have disclosed to Us earlier; or
- a trailer is in Your care, custody and control and You do not own it and the Included Benefit in Part B, Section 1 '11. Non-Owned Trailer' is exhausted.

Provided You pay any additional Premium and any applicable Excess if requested by Us.

#### 2. Cross Liability

The words "You" and "Your" will be considered as applying to each party named in the Schedule in the same manner as if that party were the only party named in the Schedule.

We will waive Our rights of subrogation against each such party.

This General Extension will not increase any limits specified in the Motorpack® Cover Section.

#### 3. L.P.G Conversion

The Motorpack® Cover Section includes cover for Your Vehicles which have been modified to operate on liquefied petroleum gas provided such modification has been carried out in accordance with the relevant statutory standard.

#### 4. Sea Transportation

We will pay any general average and salvage charges incurred by You whilst Your Vehicle is being transported by sea between places in Australia.

#### 5. Other Interested Parties

In the event of any loss of or damage to property insured under this Part B which is subject to a lease or other financing arrangement whereby the financier retains security over the property, the financier will be an Insured under Part B of the Motorpack® Cover Section but only to the extent that the financier's remaining interest in the property insured under this Part B was affected at the time of the loss or damage to the insured property.

### GENERAL EXCLUSIONS – APPLICABLE TO ALL SECTIONS

We will not pay for Loss or legal Liability:

- if Your Vehicle is with Your consent driven by, or is under the control of, any person who is:
  - not licensed to drive Your Vehicle under any relevant law, but this exclusion will not apply where a person is driving Your Vehicle with Your consent and You can prove:
    - the driving licence produced to You by that person has been forged or was the subject of unauthorised alternation; or
    - the forgery or unauthorised alteration could not have been reasonably discerned from the driving licence produced to You; or
    - the driving licence produced would if it had been valid have authorised that person to drive the particular category or type of Vehicle which was to be driven with Your consent.
  - noted in the current Schedule as a "declined Driver".
- if Your Vehicle is driven by, or is under the control of, any person:
  - who has ingested any drug, substance or alcohol which may impair his or her faculties; or
  - who is convicted of driving or being in control of the Vehicle, at the time of Loss, while under the influence of any drug, substance or alcohol; or
  - who has a percentage of alcohol in his or her breath or blood, at the time of Loss in excess of the percentage permitted by law; or

However, We will not waive Our right of subrogation against that person; but where that person is a member of Your family or in another personal relationship with You, or where that person is Your employee and the loss occurred whilst he or she was acting in the course of his or her employment, We will not exercise Our subrogation rights except where there is serious or wilful misconduct on the part of that person.

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- who 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 the Commonwealth, a State or Territory.

If You prove You did not know, or could not reasonably have known, that the Driver of Your Vehicle was so affected or would refuse to undergo an appropriate test at the time of Loss. However, We will not indemnify Your Driver in respect of any Liability they incur as a result of he or she being in control of Your Vehicle where one or more of the circumstances in a) to d) above apply.

- if Your Vehicle is used whilst in an unsafe or un-roadworthy condition and that condition caused or contributed to the Loss or Liability. However, this exclusion will not apply where You could not have detected the unsafe or un-roadworthy condition following reasonable examination or enquiry. You will be deemed not to have conducted such reasonable examination or enquiry if You fail to have the Vehicle regularly serviced in accordance with its manufacturer's recommendations.
- if Your Vehicle is used to carry a greater number of passengers or convey, lift, suspend or tow a load in excess of that for which Your Vehicle was designed, constructed or permitted by law or advisory signs. However, We will pay, if You prove to Our satisfaction that the Loss or legal Liability was not caused or contributed to, by such excessive use.
- intentionally caused by You or Your Driver or by a person with Your or Your Driver's consent.
- incurred while Your Vehicle is being used:
  - in connection with the motor trade for experiments, trials, demonstration or breakdown purposes; or
  - in racing, pacemaking, reliability trials, speed or hill climbing tests or whilst being tested in preparation thereof; or
  - in any formal or informal race, trial, test, contest or other motor sport to be carried out on public or private roads; or
  - in preparation for any formal or informal race, trial, test, contest or other motor sport.
- resulting from the lawful seizure of Your Vehicle or Your Loss of the Vehicle by any other legal process or operation of law.
- incurred by You because You cannot use Your Vehicle, or use any trailer whether owned by You or not.
- incurred while Your Vehicle is on rails other than as cargo.
- incurred while Your Vehicle is not running solely on terra firma.

- arising directly or indirectly as a result of Your Vehicle being driven or used whilst either the dimensions of the load (including any load projection limit) or the weight limit of the Vehicle (or its axles) are exceeded. This exclusion will not apply if an over-size or over weight Vehicle permit has been obtained and the load is being carried in accordance with such a permit, provided this does not render the Vehicle unsafe or unmanageable.

- any Loss or Damage of whatever kind arising directly or indirectly out of:
  - the corruption, destruction or alteration of or damage to data, coding program or software; or
  - the unavailability of data or reduction in the functionality, availability or operation of hardware, software and embedded chips; or
  - any business Interruption losses arising therefrom.

Provided this Exclusion 12 shall not apply where such Loss or Damage occurs as a direct result of any physical damage, which is otherwise covered by Part B of the Motorpack® Cover Section.

- of whatever kind arising directly or indirectly when Your Vehicle is being Dry Hired, leased, let or loaned by You to any other party.
 

This exclusion will not apply provided that Your Vehicle is being let or loaned:

  - where a person is driving Your Vehicle with your consent, and
  - not for reward

### GENERAL CONDITIONS – APPLICABLE TO ALL SECTIONS

#### 1. Driver Declaration

Where the Schedule states that this is a nominated driver policy, You must complete Driver declarations for the Drivers of every Vehicle listed in the current Schedule, as well as those covered by General Extension: 1. Automatic Inclusion of Vehicles'.

You must submit to Us for each:

- existing Driver, a Driver declaration within 30 days of the Policy inception; and
- for each additional Driver, provide a Driver declaration within five business days of his or her commencement as Your Driver.

## Motorpack® Part B – Heavy Motor

### 2. Additional Excess

In addition to the Excess shown in the current Schedule, You will have to contribute the following additional Excess or Excesses, if at the time of Loss or incurring legal Liability Your Vehicle is:

- a) a rigid truck greater than 4.5 tonnes GVM and the person driving is under 25 years of age and/or has less than 2 years' experience driving such type of Vehicle then You must pay an additional Excess of \$1,000; or
- b) an articulated truck and the person driving is under 25 years of age and/or has less than 2 years' experience of driving this type of Vehicle then You must pay an additional Excess of \$5,000; or
- c) an articulated truck and the person driving is 25 years of age or older and/or has less than 2 years' experience driving such type of Vehicle then You must pay an additional Excess of \$3,000; or
- d) a Vehicle being used outside Your radius of operation which has been nominated by You to Us then You must pay an additional Excess of \$3,000; or
- e) a rigid body tipper or a tipping trailer, the additional Excesses set out in a) to d) above that You must pay will be doubled if Damage is incurred whilst the tipping hoist is partially or fully extended.

### 3. Claim Procedure

To make a claim under this Motorpack® Cover Section :

- a) You, or Your legal representative, must provide Us with full details in writing as soon as possible after an event involving the occurrence of any Loss, or the incurring of Liability, which may become the subject of a claim under the Motorpack® Cover Section; and
- b) We may request any evidence which We reasonably require to substantiate Your claim, including but not limited to a Statutory Declaration. Any communication from other parties (including letters of demand and court documents) must be sent to Us immediately; and
- c) Where there is a claim or potential claim under Part B Section 2 You must:
  - i) not make any admission of responsibility or any offer of payment without Our written consent; and
  - ii) allow Us to have the sole conduct of all negotiations and proceedings; and
  - iii) provide Us with all reasonable assistance and cooperation which We may request.

### 4. Subrogation

Subject to the *Insurance Contracts Act 1984(Cth)*, We have the right to recover any amount paid by Us from any person You may be able to hold liable (this is termed a subrogation right) and:

- a) We will have full discretion in the conduct, defence or settlement of any claim and the right to take any action in Your name; and
- b) You will provide Us with all documents and information We require to conduct any action in Your name; and
- c) You and any other party entitled to cover under the Policy must provide Us all information and co-operation We may require in a timely fashion when requested by Us.

### 5. Authorising Repairs

Other than as provided under Part B Section 1, Included Benefit: '4 Emergency Repairs', You must not, without Our prior consent, authorise repairs to Your Vehicle which are, or may be, the subject of a claim under the Motorpack® Cover Section.

### 6. Average

If the Sum Insured on Your Vehicle is less than 80% of the Market Value at the time of Loss giving rise to a claim under Part B Section 1, then We will only pay that proportion of the repair costs that the Sum Insured bears to 80% of the Market Value.

For the purpose of establishing the Market Value for the application of this provision, prime movers and their attached trailers will be regarded as separate and distinct items.

The following example is designed to illustrate how the average clause might typically operate. This example does not cover all scenarios or benefits and does not form part of the Policy terms and conditions. It is a guide only.

#### Example:

Your Vehicle has a Sum Insured of \$150,000. The Vehicle is damaged by an event covered by the Policy. We determine that the Market Value of the Vehicle is \$200,000 and the repair cost is \$100,000. The claim payment will be calculated as follows:

80% of Market Value = **\$160,000**

Taking the Sum Insured divided by 80% of the Market Value **(\$150,000/\$160,000) x the repair cost of \$100,000 = \$93,750.**

We would pay \$93,750 to repair the Vehicle.

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### 7. Other Insurance

You must notify Us in writing if You have already effected, or if You intend in the future to effect, any other insurance that covers Your Vehicle in whole or in part. You must provide Us with the full name and address of Your other insurer or intended insurer, together with the policy number of the insurance contract if known.

### 8. Replacement Parts or Accessories

If any replacement part or accessory necessary for the repair of Your Vehicle is not available within Australia at the time of such repair, We will pay up to the current or last available Australian list price of the manufacturer of the part or the Australian distributor for that part or accessory. If there is no Australian list price We will only pay the Reasonable Costs excluding the cost to import the replacement part or accessory.

### 9. Salvage

If Your Vehicle is declared by Us to be a Total Loss and We pay You under Part B, Section 1, You must either allow Us to take possession of Your Vehicle or We will reduce what We pay You by the Vehicle's salvage value as assessed by Us.

### 10. Duty of Care to Mitigate Loss

You must exercise reasonable care and precaution to mitigate Loss and ensure safety of any Vehicle insured under this Motorpack® Cover Section. In particular, You must not leave Your Vehicle unlocked and unattended or leave the ignition keys in the Vehicle and should You do so, We will not be liable for any claim resulting from these situations. In taking such reasonable care and precautions You must also maintain Your Vehicles in a safe working and roadworthy condition, conduct safe work practices, employ competent and suitably qualified Driver. You must also discharge Your legal obligations imposed by the relevant authorities and government bodies.

# Motorpack®

## Part C – Mobile Plant & Equipment

### DEFINITIONS

In Part C of the Motorpack® Cover Section the following words have a special meaning. The definitions below apply only to Part C of the Motorpack® Cover Section and override all other definitions, including the General Definitions applying to all Cover Sections of the Policy and the other definitions contained in the other Parts of the Motorpack® Cover Section. The singular shall include the plural and vice versa, except where the context otherwise requires.

**“Aircraft”** means any craft or object designed to travel through air, atmosphere or space, other than model aircraft.

**“Accident or Accidental”** means unintended, unforeseen, fortuitous or unanticipated happening or mishap, which is not expected or designed.

**“Aviation Works”** means any of the following work:

- the refuelling of Aircraft; or the construction, alteration, repair, restoration, maintenance, extension, demolition or dismantling of buildings, runways or structures (whether permanent or not) forming, or to form part of the airport areas; or
- the installation, alteration, repair, or maintenance or fittings, including lighting, power supply, drainage, sanitation, water supply, gas supply, fire protection, security and communications systems in any of the airport areas; or
- any operation on any of the airport areas involving site clearance, earthmoving, excavation, tunnelling, boring, laying of foundations, erection or dismantling of scaffolding, site restoration, landscaping and the provision of roadways and other access works.

However, Aviation Works do not extend to vehicular movements within the airport perimeter conducted in accordance with the guidelines and regulations established by the relevant regulatory authority.

**“Down Hole Items”** means drill pipes, drill rods, drill shanks, jointing sleeves, collars, rock bits and reamers.

**“Dry Hire”** means the hiring out of an item of Insured Property without a driver or Operator.

**“Event”** means a happening causing sudden and unforeseen physical loss of or damage to Insured Property.

**“Excess”** means the amount shown in the Schedule that You will bear for each and every Accident/Event of loss or damage payable under the Policy.

The Excess shown in the Schedule may be:

- a specific monetary amount; or
- a percentage of the Sum Insured for the item damaged; or

- a percentage of the loss or damage.

Excesses shall be cumulative across all Parts of the Motorpack® Cover Section and within each Part of Motorpack® Cover Section.

**“Incidental Contract”** means:

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

**“Insured”** means:

- For all Sections of Part C of the Motorpack® Cover Section, You, or Your means the Named insured noted in the Schedule.
- For Part C, Section 2 - Road Risk Liability, You, or Your also includes:
  - anyone using or in charge of a Registered Insured Property with Your consent, but excluding hirers.
  - any authorised passenger of a Registered Insured Property.
  - Your employer or principal where the Registered Insured Property was, at the relevant time, driven on their behalf with Your consent, but excluding hirers.

**“Insured Property”** means any:

- Vehicle; or
- items of plant which are able to move or be moved freely or easily; specifically noted in the Policy Schedule as Insured Property.

**“Limit of Liability”** means the amount shown in the Schedule as the Limit of Liability.

**“Location”** means the Location stated in the Schedule.

**“Market Value”** means the value of Insured Property at a normal sale between an unconnected buyer and seller or, if that value cannot be established, its value taking account of all factors including but not limited to age, wear and tear, location, obsolescence and usability into account.

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## Part C – Mobile Plant & Equipment

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**“Operator”** means an appropriately licensed driver or an appropriately licensed operator of the Insured Property.

**“Part”** means one of the three covers provided by the Motorpack® Cover Section, comprising: Part A Commercial Motor; Part B Heavy Motor and Part C Mobile Plant & Equipment.

**“Personal Effects”** means personal property generally carried, or worn, on the person excluding: cash; negotiable instruments; mobile phones; notebook computers; personal computers; electronic organisers; portable music or DVD players; video recorders; cameras; tools or equipment.

**“Pollutants”** means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to: smoke; vapour; soot; fumes; chemicals or waste. Waste will include, but not be limited, to all materials that have been or are intended to be recycled, reconditioned or reclaimed.

**“Property Damage”** means:

- physical loss, destruction or damage to tangible property, including the loss of use from such physical loss, destruction or damage; or
- the loss of use of tangible property that has not been physically lost, destroyed or damaged, provided that any such loss of use is caused by, or arises out of, an Accident.

**“Provisional Repairs”** means repairs to Insured Property that are carried out to prevent further loss, or damage, occurring; or to move Insured Property to a place of safety.

**“Registered Insured Property”** means the Insured Property and associated attachments that are:

- registered for public road use; or
- have a conditional registration or a road permit; or
- are required by any Commonwealth, State or Territorial law to hold a conditional registration or road permit.

**“Section”** means a sub-division of a Part.

**“Sum Insured”** means the amount stated in the Schedule as the Sum Insured.

**“Third Party”** means a person who is not the Insured, or is not a person to whom cover is provided directly to by this Policy.

**“Trade Use”** means Insured Property while:

- used for excavating, digging, grading, scraping, drilling, lifting, pumping, spraying, loading and unloading, vacuuming and similar activities;
- in the process of setting up for such operations and reverting from such operative format to a travel or transit configuration;
- the Insured Property is being moved within a worksite simultaneously with or preliminary to or subsequent to,

being used for excavating, digging, grading, scraping, drilling, lifting, pumping, spraying, loading and unloading, vacuuming and similar activities.

However, Trade Use does not include transit of the Insured Property to or from a worksite. If Road Risk Cover has been taken out, then Trade Use includes cover within the terms of the Road Risk Cover.

**“Transit”** means any Insured Property which is being transported by vehicle, vessel or train.

**“Vehicle”** means any machine, including attachments, which is designed to travel on wheels or self-laid tracks and to be propelled by a power source other than manual or animal power.

**“Watercraft”** means any vessel, craft or thing made or intended to float on, in, or travel through or under water, other than model boats.

### SECTION 1 – MATERIAL DAMAGE

#### Extent of Cover

##### 1. Insuring Clause

Subject to the terms and conditions of Part C of the Motorpack® Cover Section, We will indemnify You for sudden and unforeseen physical loss or damage to the Insured Property occurring during the Period of Insurance, within the Commonwealth of Australia, and while it is:

##### 1.1 Care Custody and/or Control

in Your care, custody and/or control or while:

- engaged for Trade Use or at rest
- being dismantled for the purposes of cleaning, inspecting, overhauling or repairing; or
- being dismantled for the purposes of moving or in the course of subsequent re-erection.

##### 1.2 Dry Hire

on Dry Hire, provided that:

- You have an executed contract for hire agreement in place containing a provision that the hirer will be responsible for loss or damage; and
- the hire agreement is not subject to any damage waiver, or conditions restricting Our rights of subrogation.

##### 1.3 In Transit

In Transit by road, rail or water provided that Our liability under this Section 1 of Part C of the Motorpack® Cover Section shall not exceed the Sum Insured noted in the Schedule.

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## Part C – Mobile Plant & Equipment

### 2. Additional Cover

If We agree to indemnify You under Section 1, Part C of the Motorpack® Cover Section, then We will extend such cover for the following costs and expenses necessarily and reasonably incurred by You or on Your behalf.

#### 2.1 Expediting Expenses

Additional costs and expenses incurred for the sole purpose of expediting repairs or replacement parts. Such costs are limited, unless otherwise agreed by Us, to costs and expenses for:

- express delivery within Australia. Express delivery will include carriage by air freight within Australia by the use of a licensed airline operating a regular scheduled service, but not Aircraft chartered specifically for such carriage;
- Your travel costs, provided such costs are for regular service fares within Australia, but not Aircraft chartered specifically for such travel;
- overtime or penalty rates of labour and other related allowances or payments;
- accommodation and boarding costs, including meals and other costs associated with them.

Our liability for Expediting Expenses, unless otherwise noted in the Schedule shall be limited to the lesser amount of:

- 50% of the amount payable by Us for loss or damage to Insured Property under clause 1.1 of Section 1, Part C ; or
- \$10,000 for any one Event.

#### 2.2 Accessories, Tools and Spare Parts

Loss of or damage to accessories, tools and spare parts that were attached to or within the Insured Property, (but not included in the item's Sum Insured noted in the Schedule) at the time of loss or damage.

Our liability for Accessories, Tools and Spare Parts shall be limited to the lesser amount of:

- \$5,000 in respect of any one such accessory, tool or spare part; or
- in the aggregate for any one loss, 5% of the Sum Insured of the Insured Property lost or damaged.

#### 2.3 Signwriting

Restoring any sign writing, advertising signs and the like which formed a permanent part of the Insured Property at the time of loss or damage.

#### 2.4 Tyre Replacement

The replacement of any damaged tyre that cannot be safely used again, with a new tyre similar in make and specification, provided the damaged tyre was not a recap or retread, and

had a remaining tread depth that complied with legal requirements immediately before the loss or damage.

#### 2.5 Protection and Removal

- the cost of protecting and removing damaged Insured Property to the nearest repairer or place of safety, or to any other location that We approve; or
- the cost of protecting and removing Insured Property to a place of safety, following it becoming bogged, immobilised or stranded, without loss or damage having occurred, provided immobilisation, bogging, stranding is not be attributable to the careless action of the Operator in Our opinion.

This additional cover does not extend to provide costs for search, location and retrieval of lost or damaged items unless We provide Our prior written consent to the incur such costs. Our liability for protection and removal expenses shall be limited to the lesser amount of:

- 5% of the Sum Insured of damaged or immobilised Insured Property, or
- \$50,000 any one Event and in aggregate during one Period of Insurance.

#### 2.6 Lock and Keys

Locks and keys that are lost or damaged or believed to have been duplicated.

Our liability for Locks and Keys shall be Limited to the lesser of:

- \$2,500 per key or lock; or
- \$5,000 in the aggregate for any one Event.

#### 2.7 Loss of Personal Effects

Loss of or damage to Personal Effects belonging to You or Your employee driver that were contained in Your lost or damaged Insured Property at the time of loss.

Our liability for loss of Personal Effects shall be limited to the lesser amount of:

- \$500 for any one item of Personal Effect; or
- \$1,000 in the aggregate for any one Event.

#### 2.8 Windscreen Replacement

We shall not apply an Excess to the settlement of a repair to or replacement of a damaged windscreen, provided that:

- the damaged windscreen is not part of any Insured Property used in the forestry or demolition industries; and
- only the windscreen is damaged during the identifiable Event.

Our liability under Section 1 of Part C for windscreen repairs or replacements shall be limited to a maximum of \$5,000 in

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aggregate during any one Period of Insurance.

#### BASIS OF LOSS SETTLEMENT – SECTION 1 ONLY

We will indemnify You for loss by paying at Our option:

- to repair or replace Your Insured Property; or
- the amount of the loss, provided payment does not exceed the Sum Insured or Market Value, whichever is the less.

If the cost of repairs to Your Insured Property is more than the Sum Insured or Market Value, whichever is less (less any amount We can obtain for the salvage), We will treat it as a Total Loss and pay You the lesser of the Sum Insured and the Market Value of the Insured Property less any Excess.

When a Total Loss settlement has been made, the cover of Your Insured Property under the Motorpack® Cover Section will cease with no refund of Premium. At Out option, salvage will be retained by Us.

If more than one item of Insured Property insured under this Part C of the Motorpack® Cover Section is lost or damaged as a result of one event, the maximum amount that We will pay under Section 1 of this Part C in relation to that event is the lesser of:

- \$15,000,000; or
- the combined Sum Insureds or Market Values of the Insured Property damaged as a result of the event (whichever is less) plus any Included Benefit entitlement.

### 1. Where Repair takes place

#### 1.1 Repairable Items

Where damage is repairable, and the cost of repair is less than Market Value of the damaged item of Insured Property, settlement shall be made on the basis of the costs of restoration to the working order or condition that existed immediately prior to the Event by using normal work practice with:

- the value of replacement parts charged at manufacturers list price; and
- labour charged at standard rates and transport costs of parts at ordinary rates together with customs duties or dues.

#### 1.2 Depreciation of Parts

No deduction shall be made for depreciation in respect of parts replaced.

### 1.3 Repairs Carried out by You

If You carry out repairs at Your own situation or Your own workshop, We will pay the cost of replacement parts, wages and transport costs at ordinary rates and custom dues or other impost, incurred for the purpose of carrying out the repairs, plus a reasonable mark-up for Your overheads, provided that the person carrying out the repairs is qualified and competent to do so.

### 1.4 Unavailable or Obsolete Parts

If it is necessary to replace parts which are unavailable or obsolete, We will not pay more than the cost of similar parts for similar type of plant currently available. If similar parts are found to be unprocurable, We shall not pay more than the manufacturer's or supplier's latest list price.

### 1.5 Decrease in Market Value as a Result of Repair

We will not indemnify You for any decrease in the Market Value of the Insured Property as a result of any repair carried out under Section 1 of Part C.

### 1.6 Additional Cover

We will also pay the necessary and reasonable costs covered by Additional Cover previously specified, but Our liability for Additional Cover items under the Policy will be Limited to the Sum Insured for such costs nominated in the Motorpack® Cover Section wording or on the Schedule.

Repair costs will also include any additional cover provided by Optional Endorsements issued by Us and acknowledged in the Schedule.

### 1.7 Provisional Repair

The cost of Provisional Repair will be borne by Us if such repair constitutes part of the final repair and does not increase the total repair cost.

### 1.8 Residual Value of Damaged Parts

We will deduct the residual value of any damaged part from the amount otherwise indemnified.

### 2. Where Repair does not take place

#### 2.1 Property Not Repaired Within 2 Years

If any lost, or damaged, Insured Property is not repaired within a period of two years from the date of loss, or damage, We will only pay the lesser of:

- the estimated cost of carrying out repairs at or shortly after the date of loss or damage; or
- the difference in the Market Value of the Insured Property immediately prior to and immediately after the Event.

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### 2.2 Residual Value of Damaged Parts

We will deduct the residual value of any damaged part from the amount otherwise indemnified.

### 3. Total Loss

If the cost of repair is greater than the Market Value of the Insured Property immediately prior to the Event, settlement shall be made on the following Total Loss basis:

#### 3.1 Replacement Item or Market Value

We will at Our option either:

- supply an equivalent replacement item similar in type, capacity and condition to the Insured Property immediately prior to the Event; or
- pay the Market Value of the Insured Property immediately prior to the Event.

#### 3.2 Residual Value of Damaged Parts

We will deduct the residual value of any damaged part from the amount otherwise indemnified.

#### 3.3 Additional Cover

We will also pay necessary and reasonable costs covered by Additional Cover previously specified, but Our liability for any such costs will be limited to the Sum Insured for such costs nominated in the Motorpack® Cover Section wording or on the Schedule.

We will also pay any additional benefits provided by specific endorsement issued by Us.

#### 4. Excess

Where only one item is lost or damaged then the Excess applicable is that noted in the Schedule for a single item.

Our liability to indemnify You for loss under Part C of the Motorpack® Cover Section shall be reduced by the amount of the Excess applicable for each and every lost or damaged item.

Where an Excess is shown for Section 1 and Section 2 of Part C, only the highest Excess will apply to the Event or Accident.

#### 5. Co-Insurance

Where the Sum Insured of any item of Insured property which is lost or damaged is less than 90% of the Market Value of that item at the commencement date of the Period of Insurance, We will only pay that portion of the Basis of Settlement described on clauses 1, 2 and 3 above, that the Sum Insured bears to 90% of the Market Value of the lost or damaged Insured Property.

The following example is designed to illustrate how the coinsurance clause might typically operate. This example

does not cover all scenarios or all benefits and does not form a part of the Motorpack® Cover Section terms and conditions. It is a guide only.

#### Example:

An item of Insured Property has a Sum Insured of \$162,000. The item is damaged by an event covered by the Policy. We determine that the Market Value of the item is \$200,000 and the repair cost is \$100,000. The claim payment will be calculated as follows:

90% of Market Value = **\$180,000**

**(\$162,000 / \$180,000) x \$100,000 = \$90,000.00**

We would pay \$90,000 to repair the damaged item.

#### 6. Limit of Liability

Our total liability for any claim arising out of one Event or a series of Events arising out of one source or original cause will not exceed:

- For each item of Insured Property - the Sum Insured noted in the Schedule set against the lost or damaged item of Insured Property, less the Excess, and any cover provided under Section 1 of Part C's Additional Covers provided that the Additional Covers do not serve to extend the amount payable beyond the Sum Insured for the lost or damaged item of Insured Property.
- For each Event - the Sum Insured noted in the Schedule as the maximum cover for any one Event, less any Excess applicable, and any cover provided under Section 1 of Part C's Additional Covers provided that the Additional Covers do not serve to extend the amount payable beyond the Sum Insured for any one Event.

## SECTION 2 – ROAD RISK LIABILITY

### Extent of Cover

#### 1. Insuring Clause

We will only cover You for Road Risk Liability if We have agreed to do so and acknowledged such cover by including a Limit of liability at the corresponding item on the Schedule.

#### 1.1 Road Risk Liability

Section 2 of Part C applies only if the Insured Property is registered for use on public roads, or has a road permit or conditional registration.

Subject to all the other terms and conditions of Part C and the Motorpack® Cover Section, We will pay You all amounts which You shall become legally liable to pay as compensation for Property Damage or bodily injury subject in particular to exclusion 3.14 in the 'Specific Exclusions Applicable to Section 2':

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- happening during the Period of Insurance as a result of an Accident which arises directly or indirectly from the use of Registered Insured Property on a public road;
- which takes place anywhere within the Commonwealth of Australia;
- but not while the Insured Property is being used for Trade Use.

### 2. Defence to Claims and Suits

#### 2.1 General

With respect to the indemnity provided by Section 2 of Part C, We will:

- defend, in Your name and on Your behalf, any claim or suit against You alleging bodily injury, (subject in particular to exclusion 3.14 of the 'Specific Exclusions Applicable to Section 2') Property Damage and seeking damages on account thereof even if any allegation(s) made in any such claim or suit is groundless, false or fraudulent;
- pay all charges, expenses and legal costs incurred by Us or by You with Our prior written consent:
  - in the investigation, defence or settlement of such claim or suit, including loss of salaries or wages because of Your attendance at hearings or trials at Our request; and/ or
  - in bringing or defending appeals in connection with such claim or suit provided We are satisfied there are reasonable grounds for a successful appeal;
- pay all charges, expenses and legal costs recoverable from or awarded against You in any such claim or suit and all interest accruing on Our portion of any judgement until We have paid, tendered or deposited in court that part of such judgement which does not exceed the Limit of Liability under Part C of the Motorpack® Cover Section .
- pay expenses incurred by You for:
  - personally rendering first aid or surgical or medical relief to others at the time of any bodily injury (other than any medical expenses which We are prevented from paying by any law);
  - the temporary protection of damaged and undamaged property of any person or party, including temporary repairs, shoring up or underpinning thereof; and
  - purchasing or hiring or erecting and dismantling of hoarding, barriers, fences and any other form of temporary protection, including such protection which You must provide in compliance with the requirements of any Commonwealth, State, Territory

- or, other Statutory Authority;
- pay all legal costs incurred by You with Our prior written consent for Your representation at:
  - any Coronial inquest or inquiry; or
  - any proceedings in any court or tribunal in connection with liability insured against by Section 2, Part C of the Motorpack® Cover Section.

Any amounts We pay pursuant to paragraphs a) to e) inclusive will constitute 'Defence Costs' for the purposes of Section 2, Part C of the Motorpack® Cover Section.

The amounts of such Defence Costs incurred, except payments in settlement of claims and suits, are payable by Us in addition to the applicable Limit of Liability of Section 2, Part C of the Motorpack® Cover Section.

### 3. Additional Cover

Section 2, Insuring Clause 1.1, of Part C of is amended to provide the following extensions of cover.

#### 3.1 Substitute Vehicles

Insured Property for the purposes of Section 2 of Part C Insuring Clause 1.1, shall include registered items of plant that are not owned by the Insured, but are in the Insured's possession as a substitute item while the Insured's item of plant is undergoing repairs or servicing.

#### 3.2 Movement of Other Machines

We will pay You all amounts that You become legally liable to pay as compensation arising out of Property Damage happening during the Period of Insurance, within the Location specified in the Schedule, that was caused by You having lawfully moved or attempted to move, any other machine that was parked in a position which prevented or impeded the loading, unloading or lawful passage of Your Vehicle.

#### 3.3 Removal of Debris

We will insure You for costs necessarily incurred in cleaning up or removing debris resulting from a covered Accident in which goods have fallen or leaked from the Registered Insured Property.

However, Our liability under this extension in respect of any one Accident shall be limited to a maximum of \$50,000.

#### 3.4 Sea Transportation

We will insure You for general average and salvage charges incurred as a result of a covered Accident involving Registered Insured Property while in transit by sea between places in Australia.

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### 3.5 Towing Disabled Machines

We will insure You for any Accident to any disabled machine being towed by Registered Insured Property, but not if it was being towed for any kind of reward.

### 3.6 Trailers

We will insure You for any Accident in connection with the use of any trailer attached to Registered Insured Property.

### 4. Cross Liability

For the purpose of the Part C of the Motorpack® Cover Section the word Insured shall be considered as applying to each party comprising the Insured in the same manner as if a separate Motorpack® Cover Section had been issued to each of them.

Notwithstanding the above, the Limit of Liability does not apply to each Insured separately and will apply to all such Insured's in the aggregate so the Limit of Liability will not be increased for any one Accident as stated in the Schedule.

### 5. Limit Of Liability

Our liability under Section 2, Part C of the Motorpack® Cover Section is inclusive of all Defence Costs, expenses and the Additional Cover of Section 2, shall not exceed the amount stated as the Limit of Liability in the Schedule for any one Accident or series of Accidents resulting from the one original cause.

#### GENERAL EXTENSIONS

The following extensions apply to Sections 1 and 2 of Part C. The cover provided by the following extensions does not serve to extend any amounts payable beyond the relevant Sums Insured or Limits of Liability noted in the Schedule.

#### 1. Automatic Inclusions/Deletion

If You acquire a replacement or additional item of property, of a similar type to those items of Insured Property specified in the Schedule during the Period of Insurance, We will insure such replacement or additional item under Part C of the Motorpack® Cover Section from the date on which You acquire it, but You must notify Us:

- immediately upon acquisition if the value of the replacement or additional item exceeds \$500,000; or
- within 30 days of acquisition if the value of the replacement or additional item does not exceed \$250,000.

If You dispose of or sell any Insured Property, or pass any Insured Property from Your care, custody and control with the intention of disposing of, or selling it, cover for any such item will cease at the time of any such disposition, sale or passing of the property from Your care, custody and control.

### 2. L.P.G Conversion

Cover under Part C of the Motorpack® Cover Section will not be prejudiced by modification of any Insured Property to operate on liquefied gas, provided that the modification has been carried out in accordance with any relevant statutory or regulatory standard.

### 3. Other Interested Parties

In the event of any loss of or damage to Insured Property which is subject to a lease or other financing arrangement whereby the financier retains security over the property, the financier will be an Insured under Part C of the Motorpack® Cover Section but only to the extent that the financier's remaining interest in the Insured Property was affected at the time of the loss or damage to the Insured Property.

### 4. Hold Harmless (Subrogation Waiver)

We will waive any rights or remedies or relief to which We may become entitled by subrogation against any person or organisation where You have been required by contractual agreement to release such person or organisation from liability. However, this extension will not apply to Dry Hire arrangements.

### 5. Hired-in Plant not noted on the Schedule

We will provide cover under Section 1, Part C of the Motorpack® Cover Section for hired-in Plant not noted on the Schedule. The most We will pay under Section 1 for hired-in plant is \$25,000 in aggregate during any one Period of Insurance.

Plant for the purposes of this extension will not include any:

- sedan, 4 –wheel- drive, vehicle with a gross mass vehicle weight of 3.5 tonnes or more, ute, van, wagon or any other vehicle ordinarily used to carry passengers,
- building; or
- living organism.

### 6. Hired-in items noted on the Schedule

- We will provide cover under Section 1, Part C of the Motorpack® Cover Section for hired-in items that are specifically noted in the Schedule. The most We will pay under Section 1 for hired-in items is the amount shown in the Schedule.
- We will provide cover under Section 2, Part C of the Motorpack® Cover Section for Property Damage arising during the Period of Insurance as a result of an Accident involving the use of hired-in items that are specifically noted on the Schedule. However,
  - The most We will pay under Section 2 for hired-in items is the Limit of Liability shown in the Schedule;

and

- We will not be liable for any Property Damage to the hired-in item itself.

#### GENERAL EXCLUSIONS

The following exclusions apply to Sections 1 and 2 of Part C of the Motorpack® Cover Section.

#### 1. General Exclusions

Part C of the Motorpack® Cover Section does not apply to any loss or damage or legal liability:

##### 1.1 Licenced or Permitted Operator

Occurring while You are, or anyone with Your consent is, operating Insured Property without a current licence, except where that person is permitted to do so by law, but this exclusion will not apply where a person is operating Insured Property with Your consent and You can prove:

- the current licence produced to You by that person has been forged or was the subject of unauthorised alternation; and
- the forgery or unauthorised alteration could not have been reasonably discerned from the current licence produced to You; or
- the current licence produced would if it had been valid have authorised that person to operate the particular category or type of Vehicle which was to be driven with Your consent.

However, We will not waive Our right of subrogation against that person; but where that person is a member of Your family or in another personal relationship with You, or where that person is Your employee and the loss occurred whilst he or she was acting in the course of his or her employment, We will not exercise Our subrogation rights except where there is serious or wilful misconduct on the part of that person.

##### 1.2 Alcohol and Drugs

Caused by or arising out of the use, operation or preparation for operation of any Insured Property by anyone who, at the time of Event or Accident:

- was or could reasonably be assumed to be, under the influence of any drug or intoxicating liquor; or
- had a percentage of alcohol or drug in their breath, blood or urine in excess of the percentage permitted by law in the State or Territory where the Event or Accident took place; or
- who subsequently refused to provide or allow the taking of a sample of breath, blood or urine for testing.

However, We will insure You if You did not know or could not reasonably have known of the above circumstances. However, We will not waive Our right of subrogation against the Operator or indemnify the Operator in respect of any liability they incur as a result of he or she being in control of, or operating, Insured Property where one or more of the circumstances in a) to c) above apply.

#### 1.3 Overloading

Occurring while Insured Property is overloaded, loaded or configured in a manner other than that for which the Insured Property was designed at the time of such Event or Accident, but this exclusion will not apply unless the overloading or configuration other than that for which the Insured Property was designed caused or contributed to the Event or Accident.

#### 1.4 Unroadworthy Condition

Caused or contributed to by the unsafe or unroadworthy condition of Insured Property; unless You could not have reasonably detected that condition and You followed the servicing requirements of the Insured Property's manufacturer.

#### 1.5 Improper Use

That occurs as a result of the use of the Insured Property:

- for any illegal purpose with Your knowledge and consent; or
- for any official or informal race, trial, test, contest or in preparation for any of these.

#### 1.6 Requisition

Caused by the lawful seizure, or requisition of Insured Property, or by other operation of law, or arising from any breach of contract, agreement or obligation.

#### 1.7 Underground Risks

Occurring while the Insured Property is underground, unless otherwise agreed and acknowledged in the Policy Schedule.

#### 1.8 Vehicles on Rails

Incurred while Your Vehicle is on rails, other than as cargo.

#### 1.9 Vehicles on Terra Firma

Incurred while Your Vehicle is not running solely on terra firm.

#### 1.10 Electronic Data

Caused by:

- the corruption, destruction or alteration of or damage to data, coding programme or software; or
- the unavailability of data or reduction in the functionality, availability or operation of hardware, software or



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embedded chips; or ;

- c) any business interruption losses resulting from an event referred to in a) and b) above.

This exclusion shall not apply where such loss or damage arises as a direct result of physical damage to Insured Property which is otherwise insured under Part C of the Motorpack® Cover Section.

### SPECIFIC EXCLUSIONS – APPLICABLE TO SECTION 1

We will not indemnify You under Section 1 of Part C for:

#### 2.1 Mechanical and Electrical Breakdown

Loss or damage consisting of, or resulting from:

- electrical, electronic or mechanical breakdown;
- explosion of any boiler or pressure vessel subject to internal steam or fluid pressure, or of any combustion engine; or
- a failure to supply or insert or maintain proper fuel, coolant or lubricants or
- placing an incorrect or inappropriate type of fuel, coolant or lubricant into Your Insured Property.

However, if an Event causing damage which is otherwise insured under Part C of the Motorpack® Cover Section, causes a secondary consequence to such damage, breakdown, explosion, or a lack of coolant or lubricants, We will indemnify You for such consequential loss or damage.

#### 2.2 Marine Exposure

Loss or damage:

- due to the total or partial immersion in tidal water; or
- whilst being used for Trade Use on any Watercraft; or
- whilst in the course of ocean marine transit;

unless otherwise agreed and acknowledged by specific endorsement.

#### 2.3 Wear and Tear and General Maintenance

- loss or damage which is specifically wear, tear, corrosion, erosion, oxidization, or gradual deterioration due to atmospheric conditions or otherwise;
- cost of replacing:
  - exchangeable tools including but not limited to cutting tools, knives, crushing tools, pressing, and punching tools, drills, bits, blades, and edges;
  - moulding, shaping, forming dies, moulds patterns, or templates;
  - replacement parts including but not limited to fuels,

bulbs, X-ray tubes, filters, seals, ropes, belts, felts, caterpillar tracks, chains, conveyor belts, roller covering links, jointing, packing materials, connecting wires, hoses, flexible pipes, batteries, tyres, tracks, heating elements, electrical contacts, and any other part or parts which require periodic or frequent replacement;

- overloads, protectors, fuses, shear pins, rupture plates, or similar protective devices.

However, paragraph b) shall not apply if loss or damage to such tools, parts or devices has occurred as a direct result of a sudden and unforeseen external Event otherwise covered under Part C of Section 1 of the Motorpack® Cover Section .

- costs relating to normal maintenance, service or adjustment.

#### 2.4 Minor Visual Damage

Loss or damage to Insured Property that only has a visual effect and does not increase the risk of material damage nor does it decrease the output of the Insured Property.

#### 2.5 Relinquished Custody

The loss of any Insured Property:

- where You have entrusted any Insured Property to anyone posing as a prospective buyer; or
- where You have entrusted any Insured Property under any hire purchase or lease arrangement, and do not have legally enforceable conditions of hire in place which make the hirer responsible for loss or damage; or
- where You have entrusted any Insured Property under any hire purchase or lease arrangement, and the conditions of hire include any damage waiver or any conditions restricting Our rights of subrogation;

unless We have otherwise agreed and acknowledged this agreement by a specific endorsement .

#### 2.6 Security for a debt

Loss of Insured Property where the Insured Property stands as security for a debt and is the subject of repossession or seizure by any financier.

#### 2.7 Malicious Damage

For damage:

- resulting from foreign matter having been maliciously placed in the Insured Property while such property is unattended, unless such loss or damage is as a direct result of forcible entry of any locking mechanism designed and fitted to prevent such loss or damage;
- to any Insured Property if damage is due to plant being

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left unattended and in an insecure condition including, but not limited to, where all keys have not been removed from the locks.

#### 2.8 Theft

Theft of any Insured Property, unless You have taken all reasonable precautions to protect or safeguard the Insured Property

#### 2.9 Warranty and Maintenance Agreements

Loss or damage for which the supplier or manufacturer is responsible by law or under contract, sale or warranty condition or which is covered under a maintenance agreement.

#### 2.10 Consequential Loss

Penalties whether contractual or otherwise, for non-completion or delay in completion, non-compliance with any contract conditions, fines, liquidated damages, penalty costs or aggravated, punitive, or exemplary damages, extra costs of working, or any other consequential financial loss, unless otherwise agreed and acknowledged by specific endorsement.

#### 2.11 Plant Operation

Loss or damage:

- that could have been avoided if any fitted safety/security devices had been properly activated;
- occurring while Insured Property is undergoing a test of any kind, except as required by law;
- occurring while Insured Property is being used, operated or prepared for operation:
  - in any manner or for any purpose other than for which it was designed; or
  - beyond the manufacturer's recommended safe working limits or in a fashion contrary to that recommended.

However, if You have given instructions or taken precautions that are adequate to prevent such use and did not know or could not reasonably have known that the Operator was using the Insured Property in this manner, then We will not deny any claim under this exclusion c), but We will not waive Our subrogation rights against the Operator;

- caused by failure to provide Insured Property with adequate or appropriate, fuel, oil, lubricant or coolant; or
- occurring while any crane insured by the Motorpack® Cover Section is being used in a lifting operation in which a load is shared or rigged for sharing with other cranes, unless otherwise agreed and acknowledged by Us in

advance by a specific endorsement.

#### 2.12 Search Locate and Retrieval Costs

Costs associated with the search, location, retrieval or recovery of any lost or damaged Insured Property unless such costs are acknowledged by specific endorsement issued by Us and taken out in advance of the incident covered.

#### 2.13 Down Hole Items

Loss or damage to Down Hole Items while in the ground, unless:

- nominated with a specific Sum Insured in the Schedule, and
- acknowledged by Us by specific endorsement taken out in advance of the incident covered.

#### 2.14 Third Party Property Damage or Injury

Loss or damage to property of a Third-Party or the personal injury or death of a Third-Party.

#### 2.15 Penalty Clauses

Any payment under a penalty clause for belated delivery or performance or guarantees of performance or production.

### SPECIFIC EXCLUSIONS APPLICABLE TO SECTION 2

We will not indemnify You for:

#### 3.1 Damages, Fines and Penalties

- any fines or penalties imposed by law;
- any liquidated damages;
- any aggravated, exemplary or punitive damages;
- any additional damages resulting from the multiplication of compensatory damages; or
- any damages incurred by reason of any penalty clause; or
- any costs in relation to penalty clauses for late delivery or performance, and guarantee of performance or production.

#### 3.2 Property Owned by You

Property Damage to property that You own, or liability arising from Your failure to maintain property that You own, unless You could not have known that maintenance was required.

#### 3.3 Watercraft and Aircraft

Property Damage or Bodily Injury caused by or arising out of or in connection with:

- any Watercraft exceeding 8 metres in length, except where such Watercraft is operated by independent

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contractors but is used by You for business entertainment or

- b) the ownership, repair, construction, maintenance, servicing of any Aircraft, or installation of any property in or on any Aircraft or
- c) the ownership, use or control of any area on which Aircraft take off, land, load/unload, taxi, are housed, maintained or refuelled.

### 3.4 Professional Advice

Any legal liability arising out of any breach of a duty owed in a professional capacity by You or by persons for whose breaches of a professional duty You may be legally liable.

However, this Exclusion will not apply to the rendering of or failure to render professional medical advice by medical persons employed by You other than qualified medical practitioners without charging a fee.

### 3.5 Pollution

any liability for:

- a) Property Damage, bodily injury, personal injury, death or financial loss directly or indirectly caused by seepage, pollution or contamination; or
- b) the cost of removing, nullifying or cleaning-up seeping, polluting or contaminating substances; or
- c) the cost of preventing the escape of Pollutants; or
- d) fines, penalties, punitive or exemplary damages.

### 3.6 Asbestos

- a) any liability for injury or disease arising, directly or indirectly, out of exposure to or inhalation of, or fears of the consequences of exposure to, or inhalation of, asbestos, asbestos fibres or derivatives of asbestos; or
- b) any part of any loss, cost or expense for the cost of cleaning up, or removal of, or damage to, or loss of use of, property arising out of any asbestos, asbestos fibres or any derivatives of asbestos.

### 3.7 Railways

Loss, damage or liability arising in any way from the construction or structural maintenance of railways.

### 3.8 Aviation Works

Loss, damage or liability arising in any way from aviation works.

### 3.9 Oil and Gas Wells and Refineries

Loss, damage or liability arising in any way from the construction, maintenance or repair of oil and gas wells and refineries.

### 3.10 Ship Building

Loss, damage or liability in any way arising from ship building or repair.

### 3.11 Dams, Reservoirs and Weirs

Loss, damage or liability arising in any way from structural maintenance of dams, reservoirs or weirs.

### 3.12 Admission of Liability

Any liability assumed by You as a result of any admission made by You.

### 3.13 Trade Use

Any liability arising directly or indirectly from the Insured Property being used or operated for Trade Use.

### 3.14 Compulsory Personal Injury Legislation

Any liability for bodily injury, personal injury, illness or death incurred where You or any person using Your Insured Property with Your consent are partly or wholly entitled to indemnity under any compulsory statutory insurance scheme or accident compensation scheme, or would have been so entitled to indemnity but for Your failure, or the failure of someone acting on Your behalf, to:

- a) insure or register the Insured Property; or
- b) lodge a claim; or
- c) comply with any term or condition of any such scheme.

### 3.15 Dangerous Goods

Any liability occurring while the Insured Property is in use for, or is attached to any other machine in use for, the commercial carriage of Dangerous Goods as defined in the Australian Code for the Transport of Dangerous Goods by Road or Rail. However if transportation complies with such Code the maximum We will pay in respect of all claims arising out of any one Accident, is \$100,000 unless noted otherwise in the Schedule.

### 3.16 Registered Vehicles in Northern Territory

Any liability to pay compensation in respect of bodily injury arising as a result of the use of any item of Insured Property which is registered in the Northern Territory of Australia.

### 3.17 Driver, Employee and Family Members

Any liability arising out of death or bodily injury to anyone who, at the time of any Accident, was:

- a) operating or in charge of the Insured Property; or
- b) Your employee; or
- c) a member of Your family.

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### 3.18 Loading and Unloading

Any liability caused by, or in connection with, any operation of loading, unloading, delivery or collection to or from Your Vehicle or Insured Property except for the operation of loading, or unloading, products onto or from Your Vehicle direct to a fixed place of rest beside Your Vehicle.

### 3.19 Employment Liability

- a) bodily injury to any Employee arising out of or in the course of their employment by or with You.
- b) liability caused by, arising from or in any way connected with, any provision of any applicable workers' compensation legislation or accident compensation legislation, or
- c) liability caused by, arising from or in any way connected with, any industrial award or agreement or determination or any contract of employment or workplace agreement, where such liability would not have been imposed in the absence of any such industrial award, agreement, determination, contract of employment or workplace agreement; or
- d) liability for which You are or would have been entitled to seek indemnity under any policy of insurance, fund, scheme or self- insurance arrangement, required pursuant to any legislation relating to workers' or workmen's' compensation including any legislation of any State or Territory (whether insurance is effected or not).

For the purpose of this exclusion, Employee means any person engaged under a contract of service or apprenticeship with You but does not include any person employed under such a contract who is excluded from the definition of worker under any applicable workers' compensation legislation.

### 3.20 Underground Services

Any liability for or arising from Property Damage to any underground pipes, cables, services and supports.

## GENERAL CONDITIONS

### 1.1 Misrepresentation and Non-Disclosure

If You have:

- a) failed to disclose any matter which You were under a duty to disclose to Us; or
- b) made a misrepresentation to Us before the Policy of insurance was entered into;

and if We would not have entered into the Motorpack® Cover Section at all, or not have entered into the Motorpack® Cover Section for the same Premium and on the same terms and Conditions expressed in the Motorpack® Cover Section but for

the failure to disclose or the misrepresentation, then;

- i) Our liability in respect of any claim shall be reduced to an amount which places Us in the same position in which We would have been if the failure to disclose had not occurred or the misrepresentation had not been made; or
- ii) if the non-disclosure or misrepresentation was fraudulent, We may avoid the Motorpack® Cover Section .

Where more than one party is insured under the Motorpack® Cover Section , any misrepresentation or non-disclosure will only affect the party responsible for the misrepresentation or non-disclosure and no other party.

### 1.2 Observance of Terms and Conditions

Indemnity under Part C of the Motorpack® Cover Section will depend upon Your compliance with the following conditions:

- a) the observance of the terms, conditions and endorsements of and to the Motorpack® Cover Section by any person or entity insured under it in so far as they relate to anything to be done or complied with by any persons or entities insured and
- b) the truth of the verbal and written statements made to Us by any of the persons or entities insured or their representative or agents prior to entering into the Policy; and
- c) the notification as soon as practical by any of the persons or entities insured of any alteration of risk which materially affects this insurance.

### 1.3 Reasonable Care

You and Your employees and agents, must at Your or their own expense use due diligence to:

- a) take all reasonable precautions to prevent or minimise loss or damage;
- b) comply with all reasonable recommendations made by Us to prevent or minimise loss or damage;
- c) comply with all statutory requirements and recommendations of manufacturers and suppliers; and
- d) prevent the occurrence of bodily Injury and Property Damage insured against hereunder.

### 1.4 Entitlement

Each person or organization entitled to insurance under the Motorpack® Cover Section will be subject to its terms as if such person or organization were You.

### 1.5 Notice of Claims – (Section 1 – Material Damage Only)

In the event of a claim under Section 1 the following conditions apply:

## Motorpack®

### Part C – Mobile Plant & Equipment

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- a) Following discovery of any loss or damage which might give rise to a claim under Section 1, Part C of the Motorpack® Cover Section, You or Your representative must:
- i) notify Us as soon as possible and confirm such notification in writing giving an indication of the nature and extent of the loss, destruction or damage to Insured Property and
  - ii) take all steps within Your power to minimise the extent of the loss or damage to Insured Property and
  - iii) preserve all parts affected and make them available for inspection by Us, Our employees or agents and
  - iv) furnish all such information and documentary evidence as We may reasonably require; and
  - v) notify the police of any actual or attempted theft, burglary or malicious damage.
- b) Upon notification of any loss or damage being given to Us, You may carry out repairs or make good any minor damage, but in all cases You must give Us, Our employees or agents an opportunity to inspect the loss or damage before any repairs or alterations are effected. If no inspection is carried out by Us or on Our behalf within a period of time which is reasonable having regard to the location of risk, weather conditions and any other relevant factors, You may proceed with such repairs or replacement.
- c) We will not pay for any additional damage to any item caused by the failure to repair that item properly and without delay.

#### 1.6 Notice of Claims (Section 2 Only)

In the event of any Accident likely to give rise to a claim under Section 2, Part C of the Motorpack® Cover Section You must:

- a) at Your own expense, take such immediate action as may be necessary to minimise the extent of bodily injury or Property Damage and
- b) as soon as possible, give notice in writing of such Accident to Us and
- c) send to Us immediately upon Your receipt any letter, claim, writ, summons or proceedings; and
- d) make no admission, offer, promise, payment or offer of indemnity to any party without Our prior written consent.

#### 1.7 Claim Co-operation (Section 1 and Section 2)

On the happening of an Event or Accident for which a claim is made or may be made under the Motorpack® Cover Section We may at Our election:

- a) take over and conduct in Your name the defence or settlement of such claim;

- b) at Our own expense and for Our own benefit conduct proceedings or prosecute any action to enforce Your rights against others whether or not any payment has been made by Us in respect of such claim; and
- c) receive from You all assistance and information We may reasonably require for the purpose of defending or settling such claim or in the pursuit of any rights of recovery from others.

#### 1.8 Subrogation

Subject to the Insurance Contracts Act 1984, We have the right to recover any amount paid by Us from any person You may be able to hold liable (this is termed a subrogation right) and:

- a) We will have full discretion in the conduct, defence or settlement of any claim and the right to take any action in Your name;
- b) You will provide Us with all documents and information We require to conduct any action in Your name; and
- c) You and any other party entitled to cover under the Motorpack® Cover Section must provide Us all information and co-operation We may require in a timely fashion when requested by Us.

#### 1.9 Inspection

We or Our employees or agents will at any reasonable time have the right to inspect and examine at any location, any item, plant or equipment associated directly or indirectly with the risk, the subject of the Part C of the Motorpack® Cover Section, and You must provide to Us, Our employees or agents all details and information which We may reasonably require.

#### 1.10 Other Insurances

In the event of a claim You must give Us written notice if You have any other insurance covering the loss or damage to the Insured Property, or liability cover for Property Damage.

#### 1.11 Assignment

No interest in this insurance can be transferred to anyone other than an existing Insured party under this Motorpack® Cover Section without Our prior written consent.

#### 1.12 Reinstatement of Sum Insured

Following any claim being paid under the Motorpack® Cover Section We will reinstate the Sum Insured, provided that You pay any additional premium that may be reasonably required by Us.

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**HEAD OFFICE**

Lumley House  
Level 9, 309 Kent Street  
Sydney NSW 2000

P: 02 9248 1111  
F: 02 9248 1198  
E: [general@lumley.com.au](mailto:general@lumley.com.au)  
W: [lumley.com.au](http://lumley.com.au)

**LOCATIONS**

Adelaide  
Brisbane  
Canberra  
Darwin  
Launceston  
Melbourne  
Newcastle  
Perth  
Sydney

