

EasyBiz Business Insurance

Supplementary Product Disclosure Statement



This Supplementary Product Disclosure Statement (Supplementary PDS) updates, and should be read with, the Business Insurance Product Disclosure Statement and Policy Booklet (PDS), Edition 1 dated 4th June 2006. These documents together with your current Certificate of Insurance make up the terms and conditions of your insurance contract with us. Your current Certificate of Insurance outlines the cover you have chosen.

Supplementary PDS 1.5 This supplementary Product Disclosure Statement (Supplementary PDS) Edition 1.5 will apply to policies with a commencement date on or after 28/12/2015 or with a renewal effective date on or after 28/12/2015. This Supplementary PDS replaces versions 1.1, 1.2, 1.3 & 1.4.

Flood

We have made changes to flood cover under certain sections of our PDS. These changes are as follows:

Section 1.1 Fire and Other Defined Events Definitions “Flood” (Page 4 of the PDS)

The words that appear in the “Meaning” column for “Flood” have been deleted and replaced with the following:

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) a lake (whether or not it has been altered or modified);
- (b) a river (whether or not it has been altered or modified);
- (c) a creek (whether or not it has been altered or modified);
- (d) another natural watercourse (whether or not it has been altered or modified);
- (e) a reservoir;
- (f) a canal;
- (g) a dam.

Financial Claims Scheme

If we become insolvent, this policy may be protected under the Federal Government’s Financial Claims Scheme administered by APRA. This means that if you meet certain eligibility criteria you may receive payment under the scheme. For more information please see www.apra.gov.au or contact the APRA hotline on 1300 55 88 49.

Section 2 Shortage in Turnover and Additional Working Costs

We have made changes to Section 2 Shortage in Turnover and Additional Working Costs of the PDS:

Section 2.4(2)(c) Additional Benefits – Murder, Suicide, Poisoning, Disease or Defective Sanitary Arrangement (Page 15 of the PDS)

The words that appear in Section 2.4(2)(c) have been deleted and replaced with:

If loss results from the interruption to or interference with the Business due to:

- (i) murder or suicide occurring at the Premises;
- (ii) injury, illness or disease caused by the consumption of food or drink provided and consumed at the Premises;
- (iii) the outbreak of a human infectious or contagious disease occurring within a 20 kilometre radius of the Premises;
- (iv) closure or evacuation of the Premises by order of a government, public or statutory authority consequent upon:
 - (a) the discovery of an organism likely to result in human infectious or contagious disease at the Premises;
 - (b) vermin or pests at the Premises;
 - (c) defects in the drains or other sanitary arrangements at the Premises

then, for the purpose of this Section 2, that loss will deemed to be in consequence of Damage.

We will not cover interruption or interference to the Business under Additional Benefits (c)(iii) and (c)(iv)(A) in respect of Highly Pathogenic Avian Influenza in Humans or any other diseases declared to be quarantinable diseases under the Quarantine Act 1908 and subsequent amendments.

Section 4 Broadform Liability

We have made changes to Section 4 Broadform Liability of the PDS:

Section 4.1 Definitions (Page 30 of the PDS)

The words that appear in the “Meaning” column for “Occurrence” have been deleted and replaced with the following:

- (a) Any
 - (i) event, including continuous or repeated exposure to substantially the same general conditions, which results in Personal Injury or Property Damage neither expected nor intended by you; or
 - (ii) intentional act, by you or at your direction, resulting in Personal Injury but only if such Personal Injury arises solely from the use of reasonable force for the purpose of protecting persons or property.
- (b) All events and intentional acts (including intentional acts intended to protect persons or property or to prevent any or further damage or loss) arising directly or indirectly from one source or original cause are to be regarded as one Occurrence.

Section 4.5(21) Contract Works (Page 38 of the PDS)

The words that appear in Section 4.5(21) have been deleted and replaced with the following:

We will not pay for claims arising out of construction, erection, demolition, alteration, or installation work by you, or on your behalf except, where the total contract price payable to, or by, you at any time of the commencement of all work is less than \$500,000.

Section 4.4(2) Additional Benefits – Treatment Risk (Page 34 of the PDS)

The words that appear in Section 4.4(2) are deleted and replaced with the following:

- (a) If your business is that of a hairdresser or beauty salon, we will pay for claims in respect of Personal Injury arising directly or indirectly out of, or caused by, haircutting, hair colouring, hairdressing, shaving, shampooing, massaging, manicuring, facial treatments, ear piercing, hair removal, and the use of hand or electric appliances.
- (b) We will not pay for claims arising directly or indirectly out of, or caused by:
 - (i) body or facial piercing, other than ear piercing;
 - (ii) puncturing, cutting, removal or peeling of skin;
 - (iii) laser treatment;
 - (iv) cosmetic tattooing or micro pigmentation;
 - (v) any treatment or activity in respect of weight management or weight reduction;
 - (vi) the use of any sporting equipment or apparatus designed for exercise, weight management or weight reduction;
 - (vii) the use of any solarium, tanning machine or similar device; or
 - (viii) out of or resulting from sexual assault or sexual molestation.
- (c) Our total liability for all claims, during the Period of Insurance, arising out of the cover provided by Section 4.4(2) is limited to the Limit of Liability or \$10,000,000 whichever is the lesser, less the stated Excess.
- (d) Section 4.5(15) does not apply with respect to the cover provided by this Section 4.4(2) Treatment Risk.

Section 6 General Exclusions

We have made changes to Section 6 General Exclusions of the PDS:

The following have been added as general exclusions under this Section:

(8) Bushfire / Cyclone

- (a) We will not provide any cover, for a period of 48 hours from the time of the commencement of your insurance, for damages or loss caused by:
 - (i) bushfire or grassfire; or
 - (ii) a named cyclone.
- (b) This exclusion does not apply, however, if this insurance commences directly after:
 - (i) another insurance policy covering the same property expired, without a break in cover;
 - (ii) you have entered into a contract of sale to purchase the property; or
 - (iii) you have entered into a contract to lease the property.

(9) Computer Viruses, Attacks by Hackers, Data Manipulation or Operational Errors

We will not pay for loss, destruction, damage, cost, expense, injury, illness or the incurring of a liability directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with:

- (a) Computer Viruses;
- (b) attacks by hackers;
- (c) data manipulation by third parties; or
- (d) any operational errors.

Section 6(6) Terrorism (Page 50 of the PDS)

The following words that appear in Section 6(6) "Terrorism" under the heading "Excluded Circumstances" are deleted:

"Provided that in accordance with the Terrorism Insurance Act 2003, the above exclusion will not apply in respect to an act deemed by the Federal treasurer to be a "declared terrorist incident"."

Section 7 General Conditions

We have made some changes to Section 7 General Conditions of the PDS:

The following has been added as a general condition in this Section:

(19) Electronic Communication

- (a) It may be possible to have your policy documents sent to you electronically by e-mail. If you tell us to send your policy documents to you electronically, then we will send them to the e-mail address you give us rather than to your mailing address.
- (b) Any policy documents we send to your e-mail address are considered to have been received by you 24 hours from when we send them. If you don't tell us to send your policy documents to you electronically, then we will send them by post to the mailing address you gave us.
- (c) You are responsible for making sure the e-mail and mailing address we have for you are up to date.

Section 7(10)(b) Paying by Instalments (Page 54 of the PDS)

The words that appear in Section 7(10)(b) have been deleted and replaced with:

- (b) Where we have not received an instalment payment:
 - (i) we will send you notice in writing regarding your non-payment at least 14 calendar days before any cancellation by us for non-payment;

- (ii) if, after sending the above notice, we do not receive the instalment payment we will send you a second notice in writing, either:
 - (a) prior to cancellation, informing you that your policy is being cancelled for non-payment; or
 - (b) within 14 days after cancellation by us, confirming our cancellation of your policy.

Section 7(13) Excess (Page 54 of the PDS)

The words that appear in Section 7(13) have been deleted and replaced with:

- (a) We will deduct from the amount to be paid to you the amount of Excess shown on the Certificate of Insurance or in this policy.
- (b) Any Voluntary Excess and/or Additional Excess are in addition to the Basic Excess.
- (c) You must pay all the Excesses that apply to the claim.
- (d) We will apply the highest applicable Excess, or any aggregate Excess, if more than one Section of the policy applies to any claim arising from the one event, unless:

- (i) the claim applies across Section 4 Broadform Liability;

then we will apply an Excess to Section 4 Broadform Liability, in addition to the highest applicable Excess.

Changes to your PDS

Your PDS is amended by the deletion of the Duty of Disclosure notice.



EasyBiz Business Insurance Policy booklet



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IMPORTANT INFORMATION

ABOUT THE EASYBIZ POLICY

This policy document has been designed to meet the insurance needs of small businesses.

The policy document comprises eight different areas of insurance cover, set out in Sections, which your business may require. You should carefully read all the Sections to ensure that the cover provided meets your needs. If you are uncertain of any aspect, please do not hesitate to contact us.

RENEWAL PROCEDURE

Before your policy expires each year, **we will** normally offer renewal by forwarding a notice advising the Premium payable.

CLAIM PROCEDURES

- (a) **If you believe you may have a claim**, it is important that you carefully read and follow the general claims procedures set out in Section 7(1) and the specific claims procedures for:
 - (i) Broadform Liability in Section 4.6;
 - (ii) Machinery in Section 5.6.
- (b) In summary, you should:
 - (i) immediately **contact the Police** in the event of burglary or if your Property is lost, stolen, or maliciously damaged;
 - (ii) take all reasonable steps to **prevent or minimise any further loss**, damage, or liability; and
 - (iii) **advise us** as soon as possible, providing full details of the facts and circumstances of the loss, damage or claim against you.

AGREEMENT

<p>(1) Our agreement with you</p>	<ul style="list-style-type: none">(a) As you have paid, or agreed to pay us the Premium, we will insure you in accordance with this Policy.(b) The insurance we provide in each Section is subject to the terms, Specific Conditions, Specific Exclusions, and limits set out in that Section as well as the General Exclusions in Section 6, the General Conditions in Section 7, and any endorsements shown on the Certificate of Insurance.(c) You, or any other person insured under this policy, must comply with all such terms, conditions, and endorsements, otherwise you may not be able to claim under this policy.
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GENERAL DEFINITIONS

The intended meaning of some of the important words used throughout this policy are shown in the following table. At the beginning of each Section you will find further important definitions applicable only in that Section.

Word	Meaning
“Business”	Your business, trade, or profession, as Specified in the Certificate of Insurance.
	Also refer to Section 4.1 for the definition applicable only to Section 4.
“Certificate of Insurance”	The certificate issued by us which forms part of this policy and shows your policy number, the Premium, the insurance cover or any special terms, limits, conditions, exclusions, or endorsements.
“Excess”	The amount which you have to pay towards the cost of any claim under this policy.
“Indemnify”	<p>(a) Where the Property is lost or destroyed:</p> <p>(i) in the case of a Building, the rebuilding; or</p> <p>(ii) in the case of other Property, its replacement by similar property; to a condition equal to but not better or more extensive than its condition <u>at the time of loss or destruction</u>; and</p> <p>(b) Where the Property is damaged, the repair and/or restoration of the Property to a condition substantially the same as but not better or more extensive than its condition <u>at the time of damage</u>.</p>
“Money”	<p>Current coins, bank notes, currency notes, cheques, postal orders, money orders, unused postage and revenue stamps, including the value of stamps contained in franking machines, credit cards, sales vouchers, instant lottery tickets, transport tickets, telephone cards and any other negotiable instruments:</p> <p>(a) belonging to you; or</p> <p>(b) for which you are legally responsible.</p>
“Period of Insurance”	The period specified in the Certificate of Insurance.
“Premises”	The Business premises specified in the Certificate of Insurance.
	Also refer to Sections 3.1.1 for the definition applicable only to Section 3.1.
“Premium”	The amount payable by you for the insurance provided by us under this policy.
“Property”	The property used in your Business, and specified in the Certificate of Insurance as being insured by this policy.
	Also refer to Section 3.4.1 for definitions applicable only to Section 3.4.
“Proposal”	The form completed by you giving answers, particulars, and statements in respect of the insurance required by you.

GENERAL DEFINITIONS (CONTINUED)

Word	Meaning
<p>“Reinstatement” or “Reinstate”</p>	<p>(a) Where the Property is lost or destroyed:</p> <ul style="list-style-type: none"> (i) in the case of a Building, the rebuilding; or (ii) in the case of other Property, the replacement by similar property; to a condition equal to but not better or more extensive than its condition <u>when new</u>; <p>(b) Where the Property is damaged, the repair and/or restoration of the Property to a condition substantially the same as but not better or more extensive than its condition <u>when new</u>; and</p> <p>(c) The extra cost, including demolition, incurred subsequent to the loss, destruction, or damage, needed to comply with the requirements at the time of Reinstatement of:</p> <ul style="list-style-type: none"> (i) any Act of Parliament or regulation made thereunder; or (ii) any bylaw or regulation of any municipal or other statutory authority; to the extent that the Sum Insured is not otherwise exhausted.
<p>“Sum Insured” or “Limit of Liability”</p>	<p>The amount specified in the Certificate of Insurance.</p>
<p>“we”, “us”, or “our”</p>	<p>The Insurer named in the Certificate of Insurance.</p>
<p>“you” or “your”</p>	<p>Each person, company, or other entity specified in the Certificate of Insurance as being insured under this policy.</p>
	<p>Also refer to Section 4.1 for the definition applicable only to Section 4.</p>

Section 1 – Fire and Other Defined Events

1.1 Definitions

The intended meaning of some of the important words as used only in Section 1 are shown below.

Word	Meaning
“Accidental Damage”	Unintentional and unexpected loss, destruction, or damage.
“Building”	Any building at the Premises, including: (a) awnings, signs, lettering, meters and switchboards, lifts, hoists and all their attachments, electrical installations, fire alarm systems, fire sprinkler installations, towers, tanks, power lines, poles, walls, gates and fences, plant and apparatus, forming part of the building owned by you or for which you are legally responsible; and (b) all landlord’s fixtures and fittings for which you are legally responsible.
“Computer Virus”	Unauthorised intrusive codes, programming, or computer code segment that is self replicating, requires a host program or executable disk segment in which it can be contained, and which destroys or alters the host program, other computer code, or data causing undesired program or computer system operations.
“Contents”	Plant and machinery including their foundations, settings and beddings, and all other contents of every description, owned by you or for which you are legally responsible while in the Building or open air at the Premises, but not : (a) Stock in Trade or Money; or (b) motor vehicles or their accessories, unless specified in the Certificate of Insurance.
“Flood”	(a) A general, temporary condition of partial or complete inundation of normally dry land areas by the overflow of water from the normal confines of any natural water course or lake (whether or not altered or modified), or of any reservoir, canal, or dam; or (b) A mud slide or mud flow which is caused or precipitated by an accumulation of water on, or under, the ground.
“Rainwater”	Water falling from the atmosphere in the form of rain including rainwater run off over the surface of the land or which has escaped from public roadside gutters, but not inundation of normally dry land areas by the overflow of water from: (a) the normal confines of any natural watercourse or lake whether or not altered or modified; or (b) any reservoir, canal, dam, water tank, apparatus, or pipe.
“Stock in Trade”	Stock or merchandise, manufactured, unmanufactured, or in the course of manufacture, including: (a) materials used in their packing; and (b) raw materials; owned by you, or for which you are legally responsible, while held in the Building or in the open air at the Premises.

Also refer to the General Definitions which are applicable to Section 1.

Section 1 – Fire and Other Defined Events (continued)

1.2 Defined Events

Under Section 1, **we insure** you for loss, destruction, or damage to the Property at the Premises caused by any Defined Event listed below occurring during the Period of Insurance **except** as stated under We Will Not Pay.

Defined Event	We Will Not Pay Refer also to the Specific Exclusions in Section 1.5 and the General Exclusions in Section 6
(1) Fire	We will not pay for loss, destruction, or damage: (a) to the Property, where the Property is undergoing any process involving the application of heat; or (b) caused by the Property’s own spontaneous combustion, except for the spontaneous combustion of hay.
(2) Lightning or Thunderbolt	
(3) Explosion	We will not pay for loss, destruction, or damage to boilers and their contents, except for domestic boilers, domestic economisers, or domestic vessels under pressure that do not require a certificate to be issued under the terms of any statute or regulation.
(4) Earthquake, Subterranean Fire, or Volcanic Eruption	We will not pay the first 1% of the total Sum Insured or \$20,000 <u>whichever is the lesser</u> , subject to a minimum of \$250, for loss, destruction, or damage to the Property during any period of 72 consecutive hours.
(5) Riots, Strikes and Civil Commotion	
(6) Escape of Liquids resulting from bursting, leaking, discharging, or overflowing of pipes, tanks, fixed room heating, or water apparatus	We will not pay: (a) for loss, destruction, or damage to the pipes, tanks, fixed room heating, or water apparatus themselves; or (b) more than \$5,000 for the cost of: (i) locating the cause of the loss, destruction, or damage; and (ii) rectification of paths or driveways immediately surrounding and adjoining the Buildings, if damaged while locating the cause.
(7) Impact by vehicles or animals	We will not pay for loss, destruction, or damage to fencing or animals, caused by other animals.
(8) Impact by trees, watercraft, or aircraft and other aerial devices, including space debris, whether artificially created or not, and articles dropped from them	We will not pay for loss, destruction, or damage caused by the impact of trees or parts thereof resulting from felling or lopping trees.

Section 1 – Fire and Other Defined Events (continued)

1.2 Defined Events (continued)

Defined Event	We Will Not Pay Refer also to the Specific Exclusions in Section 1.5 and the General Exclusions in Section 6
(9) Vandalism, Malicious Damage or Damage by Burglars	<p>We will not pay for:</p> <ul style="list-style-type: none"> (a) loss, destruction, or damage caused by tenants; (b) theft of property; or (c) breakage of glass.
(10) Storm or Rainwater	<p>We will not pay for loss, destruction, or damage:</p> <ul style="list-style-type: none"> (a) to gates, fences, retaining and free-standing walls whether or not forming part of the Building, textile awnings, shade cloth, blinds, signs, glasshouses, hot houses, igloos, flimsies, and the like; (b) to the Property in the open air <u>unless</u> that Property comprises or is part of a permanent structure designed to function without the protection of walls or a roof; or (c) caused by water seeping or percolating through a wall, roof, or floor.
(11) Accidental Damage	<ul style="list-style-type: none"> (a) We will not pay for loss, destruction, or damage caused by or resulting from: <ul style="list-style-type: none"> (i) any other Defined Event in Section 1.2; (ii) the Property’s own fermentation or heating; (iii) burglary, theft, armed hold-up, kidnapping, bomb threat, sabotage, extortion, or any threat or attempt thereof; (iv) any fraudulent or dishonest acts by your employees; (v) clerical or accounting errors, or unexplained inventory shortage or disappearance; (vi) shortages in the supply or delivery of materials to, or by, you; (vii) the action of birds, moths, termites or other insects, vermin, rust or oxidation, mildew, mould, wet or dry rot, corrosion, dampness or dryness of atmosphere, or other variation in temperature, action of light, shrinkage, evaporation, contamination, disease, inherent vice or latent defect, adjusting or servicing operations, loss of weight, change in flavour, colour, texture, or finish; (viii) smoke, smut, sludge, or chemicals from industrial or agricultural operations but we will pay for sudden and unforeseen damage resulting therefrom; (ix) dust, sand, mud, or smog, but we will pay for sudden and unforeseen damage resulting therefrom; (x) wear, tear, fading, breakage of fragile articles, scratching or marring, gradual deterioration or developing flaws, cost of normal upkeep or making good; (xi) failure of, error or omission in design, plan, specification, or testing; (xii) incorrect siting of buildings, as a result of incorrect design or specification; (xiii) faulty materials or faulty workmanship; (xiv) normal settling, seepage, creeping, heaving, vibration, shrinkage or expansion in buildings, foundations, walls, roofs, ceilings, floors, pavements, roads, and other structural improvements; (xv) electrical or magnetic injury, disturbance, or erasure of electronic recordings; (xvi) Computer Virus;

Section 1 – Fire and Other Defined Events (continued)

1.2 Defined Events (continued)

Defined Event	<p style="text-align: center;">We Will Not Pay</p> <p style="text-align: center;">Refer also to the Specific Exclusions in Section 1.5 and the General Exclusions in Section 6</p>
<p>(11) Accidental Damage (Continued)</p>	<p>(xvii) data processing or media failure or breakdown, or malfunction of the processing system;</p> <p>(xviii) mechanical, electrical, or electronic breakdown, failure, or derangement, or boiler or pressure vessel explosion or implosion, but this exclusion is <u>limited to the machine, equipment, boiler or pressure vessel immediately or directly affected</u>;</p> <p>(xix) failure of the supply of water, gas, electricity, or fuel;</p> <p>(xx) any order of any government or public or local authority including the confiscation, nationalisation, requisition, or damage of any property; or</p> <p>(xxi) any other event or circumstance more specifically excluded in Section 1.2(1) to 1.2(10).</p> <p>(b) We will not pay for loss, destruction, or damage to:</p> <p>(i) any property in transit;</p> <p>(ii) registered motor vehicles or trailers, or property contained therein;</p> <p>(iii) animals, birds, fish, or any other living thing;</p> <p>(iv) the Property arising out of renovation, repair, installation, testing, alteration, or the Property undergoing construction or erection;</p> <p>(v) property during the course of and as the result of its processing;</p> <p>(vi) glass; or</p> <p>(vii) Money.</p>

Section 1 – Fire and Other Defined Events (continued)

1.3 Settlement

If you have a valid claim under Section 1, **we will** at our option pay for, reinstate, or repair the Property on the basis set out below.

Settlement Basis	
(1) Stock in Trade and Motor Vehicles	For Stock in Trade or motor vehicles or their accessories, we will Indemnify you.
(2) All other Property	<p>(a) For all other Property, we will Reinstatement the Property but only if:</p> <ul style="list-style-type: none"> (i) replacement, rebuilding, or repair is carried out within a reasonable time. This may be at another site providing our liability is not thereby increased; (ii) any repair costs do not exceed the Reinstatement costs had the Property been totally lost, destroyed, or damaged; (iii) a sum equal to the cost of Reinstatement has actually been incurred; and (iv) all other insurances in respect of the Property have the same Reinstatement wording; <p>otherwise we will Indemnify you.</p> <p>(b) We are not bound to Reinstatement exactly or completely but only as circumstances permit and in a reasonably sufficient manner.</p> <p>(c) Where any state, local, or other statutory authority, permits the Reinstatement of a Building but only subject to:</p> <ul style="list-style-type: none"> (i) a reduced plot ratio; or (ii) the payment of certain fees, contributions, or impost; <p>we will pay in addition to any amount payable for Reinstatement:</p> <ul style="list-style-type: none"> (iii) the difference between the actual cost of Reinstatement incurred in accordance with the reduced plot ratio and the cost of Reinstatement which would have been incurred had a reduced plot ratio not been applicable and any payment of the difference will be made as soon as the difference is ascertained and certified by the architect acting on your behalf in the Reinstatement of the Building; and (iv) the fee, contribution, or other impost payable to any state, local, or other statutory authority, where such fee, contribution, or impost is a condition precedent to the obtaining of consent to Reinstatement the Building. <p>(d) The Underinsurance provision in Section 1.3(7):</p> <ul style="list-style-type: none"> (i) applies separately to each individual item of Property; and (ii) does not apply to the extra cost described in paragraph (c) of the General Definition of “Reinstatement”.
(3) Patterns or Designs	We will not pay more than 5% of the Sum Insured on Contents for loss, destruction, or damage to patterns, models, moulds, plans, or designs.
(4) Work of Art	We will not pay more than \$1,000 in value for any one item for loss, destruction, or damage to a curiosity or work of art.
(5) Our Limit of Liability	Our liability is limited to the Sum Insured, less the stated Excess.
(6) Automatic Reinstatement of the Sum Insured	Following the occurrence of loss, destruction, or damage, the Sum Insured is reinstated to the full amount specified in the Certificate of Insurance, provided that you pay the appropriate extra Premium if required by us.

Section 1 – Fire and Other Defined Events (continued)

1.3 Settlement (continued)

Settlement Basis	
(7) Underinsurance	<p>If the Property is insured for less than 80% of its value, determined in accordance with the Settlement Basis in:</p> <p>(a) Section 1.3(1) for Stock in Trade, or motor vehicles or their accessories; or</p> <p>(b) Section 1.3(2) for all other Property;</p> <p>at the time the insurance under Section 1 was taken out, renewed, extended, or varied, we will only pay that portion of the claim which the Sum Insured bears to 80% of that value, in accordance with the formula:</p> $\frac{\text{the Sum Insured}}{80\% \text{ of the value of the Property}} \times \text{the amount of the loss, destruction, or damage}$
	<p>Example: Where the Property is valued at \$200,000 but only insured for \$100,000 and a loss of \$50,000 occurs, we will pay</p> $\frac{\$100,000}{(80\% \text{ of } \$200,000)} \times \$50,000 = \mathbf{\$31,250}$ <p style="text-align: center;">We will not pay \$18,750.</p>
	<p>(c) This section 1.3(7)(a) and (b) does not apply if the loss is less than 10% of the Sum Insured for any one loss.</p>

1.4 Additional Benefits

- (1) If you have a valid claim under Section 1, **we will** also insure you for the following Additional Benefits necessarily and reasonably incurred, **but you must** obtain our consent prior to any of the costs being incurred.

Additional Benefit	Limits to Additional Benefits, in addition to the Sum Insured
(a) Professional Fees	<p>We will pay up to:</p> <p>(i) 5% of the Sum(s) Insured for Building, Contents and/or Stock in Trade (as the case may be), but not more than \$20,000 in total; or</p> <p>(ii) \$2,000;</p> <p>whichever is greater, for professional fees directly related to the Reinstatement of the Property but not for claims preparation.</p>
(b) Removal of Debris	<p>We will pay up to:</p> <p>(i) 10% of the Sum(s) Insured for Building, Contents and/or Stock in Trade (as the case may be), but not more than \$50,000 in total; or</p> <p>(ii) \$10,000;</p> <p>whichever is greater, for costs of demolition or dismantling of the damaged Property, and removal, storage and disposal of debris.</p>
(c) Temporary Repair	<p>We will pay up to \$5,000 for the cost of shoring up, underpinning or propping, or other temporary repair of the Property, for the purpose of maintaining or restoring safety, integrity or accessibility.</p>

Section 1 – Fire and Other Defined Events (continued)

1.4 Additional Benefits (continued)

(2) We will extend your insurance to include the following Additional Benefits.

Additional Benefit	Limits to Additional Benefits, in addition to the Sum Insured
(a) Seasonal Increase in Sum Insured for Contents and Stock in Trade	<p>We will increase the Sum Insured for Contents and Stock in Trade by:</p> <ul style="list-style-type: none"> (i) 30% for the 3 days prior to Gazetted Monday Public Holidays and until the conclusion of the following trading day; (ii) 50% for the 60 days prior to Christmas Day and until the conclusion of the first trading day following New Year's Day; and (iii) 35% for the 30 days immediately prior to Good Friday.
(b) Contents and Stock in Trade while in Transit	<p>We will pay up to \$5,000 for Contents or Stock in Trade lost, destroyed, or damaged:</p> <ul style="list-style-type: none"> (i) while in transit anywhere in the Commonwealth of Australia in a vehicle or trailer owned by: <ul style="list-style-type: none"> (A) you; (B) your employee; or (C) a member of your immediate family working in the Business; (ii) while at your private residence; or (iii) while at an authorised persons' private residence; caused by a Defined Event in Section 1.2(1) to 1.2(10).
(c) Alterations and Additions	<p>If you make alterations or additions to the Property during the Period of Insurance, we will increase the Sum Insured, for such Property up to:</p> <ul style="list-style-type: none"> (i) 5% of the Sum Insured; or (ii) \$50,000; <p>whichever is the lesser.</p>
(d) Fire Extinguishing Costs	<p>We will pay up to \$5,000 for the cost of:</p> <ul style="list-style-type: none"> (i) the wages of your employees; (ii) replenishment of fire fighting appliances; and (iii) the destruction of or damage to materials including employees' clothing not more specifically insured under this policy or any other policy of insurance; <p>resulting from fire at or in the immediate vicinity of the Premises.</p>
(e) Cost of Re-writing Record Books	<p>We will pay up to \$10,000 for the cost of re-writing your records and books of account lost, destroyed, or damaged as a result of a Defined Event in Section 1.2.</p>
(f) Directors', Proprietors', Partners' and Employees' Personal Property	<p>We will pay up to:</p> <ul style="list-style-type: none"> (i) \$500 in respect of any one director, proprietor, partner or employee; and (ii) a total of \$2,000; <p>in total, during the Period of Insurance, for the cost of directors', proprietors', partners' and employees' tools of trade and personal property, other than Money:</p> <ul style="list-style-type: none"> (iii) on the Premises; (iv) used in the Business; and (v) lost, destroyed, or damaged as a result of a Defined Event in Section 1.2.

Section 1 – Fire and Other Defined Events (continued)

1.4 Additional Benefits (continued)

Additional Benefit	Limits to Additional Benefits, in addition to the Sum Insured
(g) Book Debts	<p>We will pay up to \$5,000 for:</p> <ul style="list-style-type: none"><li data-bbox="472 360 1398 577">(i) your customers' outstanding debts, being money owed for goods purchased from you or services rendered by you on credit, which you would normally have collected and you are unable to recover directly due to the loss, destruction, or damage to your books of account as a result of a Defined Event in Section 1.2, occurring at the Premises and during the Period of Insurance, including an allowance for demonstrable trends of the Business at the time of such loss, destruction, or damage; and<li data-bbox="472 591 1430 763">(ii) the reasonable cost of accountant's fees for:<ul style="list-style-type: none"><li data-bbox="533 629 1430 689">(A) certifying any particular, detail, or information required for the preparation of a claim under Section 1.4(2)(g)(i); and<li data-bbox="533 703 1315 763">(B) reconstructing your books of account to enable you to recover such outstanding debts from your customers.

Section 1 – Fire and Other Defined Events (continued)

1.5 Specific Exclusions

We do not insure you under Section 1 for the following circumstances.

Excluded Circumstances	
(1) Sea	We will not pay for loss, destruction, or damage caused directly or indirectly by the action of the sea, tidal wave, or tsunami.
(2) Earth Movement	We will not pay for loss, destruction, or damage caused directly or indirectly by erosion, subsidence, landslide, or other earth movement.
(3) Flood	We will not pay for loss, destruction, or damage caused directly or indirectly by Flood.
(4) Hazardous Goods	We will not pay for loss, destruction, or damage caused directly or indirectly from circumstances where you are in breach of any law, bylaw, municipal or other public body regulation dealing with the storage of hazardous goods on the Premises.
(5) Cessation of Work	We will not pay for loss, destruction, or damage caused directly or indirectly by cessation of work.
(6) Documents or Business Books	We will not pay for loss, destruction, or damage to documents, manuscripts, or business books except for the Cost of Re-writing Record Books as provided for in Section 1.4(2)(e).
(7) Jewellery or Furs	We will not pay for loss, destruction, or damage to jewellery, precious stones, precious metals, bullion, furs, or stamps.
(8) Explosives	We will not pay for loss, destruction, or damage to explosives.
(9) Aircraft or Watercraft	We will not pay for loss, destruction, or damage to aircraft or watercraft of any kind and description, or property contained therein.
(10) Railways, Locomotive or Rolling Stock	We will not pay for loss, destruction, or damage to railways, locomotive or rolling stock, or property contained therein.
(11) Growing Crops, Standing Timber, Shrubs or Pastures	We will not pay for loss, destruction, or damage to growing crops or standing timber, shrubs, or pastures.
(12) Property not forming part of a Building	We will not pay for loss, destruction, or damage to land, dams, reservoirs, canals, tunnels, bridges, docks, piers or wharves not forming part of a building.

Also refer to the General Exclusions in Section 6 which are applicable to Section 1.

Section 2 – Shortage in Turnover and Additional Working Costs

2.1 Definitions

The intended meaning of some of the important words as used only in Section 2 are shown below.

Word	Meaning
“Additional Working Costs”	The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing a reduction in Turnover and/or resuming and/or maintaining your normal Business operations and/or services.
“Annual Turnover”	The sum derived by adjusting the Turnover obtained in the Business during the 12 months immediately before the date of the Damage to provide for trends, variations, or other circumstances: (a) affecting the Business either before or after the Damage; or (b) which would have affected the Business had the Damage not occurred.
“Boiler or Economiser”	Boiler, pressure vessel, or economiser for which a certificate is required to be issued under the terms of any statute or regulation.
“Collapse”	The sudden and dangerous distortion of the furnace or firebox of an internally fired boiler, or any part of a pressure vessel, caused by bending or crushing of the permanent structure by vacuum or reduced pressure, or by force of steam, gas, air, or other fluid pressure (other than the pressure of ignited flue gases), including damage caused by overheating resulting from deficiency of water.
“Damage”	Loss, destruction, or damage to your Property caused by a Defined Event insured under Section 1 of this policy and for which we have admitted liability or would have paid for, or admitted liability, but for the operation of an Excess.
“Explosion”	The sudden violent rending of the Boiler or Economiser by force of internal steam, gas, or fluid pressure (including the pressure of ignited flue gases) causing bodily displacement of its structure together with forcible ejection of its contents.
“Indemnity Period”	The period beginning with the occurrence of the Damage and ending not later than 12 months after such occurrence, during which period the Business is affected by such loss, destruction, or damage.
“Shortage in Turnover”	The amount by which the Turnover falls short of the Standard Turnover during the Indemnity Period as a result of the Damage.
“Standard Turnover”	The sum representing the Turnover during that period in the 12 months immediately before the date of the Damage which corresponds with the Indemnity Period, to which adjustments are made to provide for trends, variations, or other circumstances: (a) affecting the Business either before or after the Damage; or (b) which would have affected the Business had the Damage not occurred.
“Turnover”	Money paid or payable to you for goods sold and delivered and services rendered in the course of the Business at the Premises.

Also refer to the General Definitions which are applicable to Section 2.

Section 2 – Shortage in Turnover and Additional Working Costs (continued)

2.2 Defined Events

If your Certificate of Insurance indicates that you have taken out insurance under Section 2 for:

- (1) **Shortage in Turnover**; or
- (2) **Additional Working Costs**;

we insure you for loss resulting from interruption of or interference with, the Business due to Damage at the Premises to Property insured under Section 1 – Fire and Other Defined Events, occurring during the Period of Insurance.

We do not insure you for those matters set out in the Specific Exclusions in Section 2.5 or the General Exclusions in Section 6.

2.3 Settlement

If you have a valid claim under Section 2, **we will pay** for your Shortage in Turnover on the basis set out below.

Settlement Basis	
(1) Shortage in Turnover	<p>(a) We will pay the amount of Shortage in Turnover.</p> <p>(b) We will deduct from any amount payable under (a) above, any savings during the Indemnity Period in respect of charges and expenses payable out of Turnover as may cease, or be reduced, in consequence of the Damage.</p>
(2) Additional Working Costs	<p>We will pay the additional expenditure incurred during the Indemnity Period in consequence of the Damage, for the purpose of:</p> <p>(a) resuming or maintaining normal Business operations or administrative facilities; and</p> <p>(b) minimising any interruption of or interference with the Business; whether there is a Shortage in Turnover or not.</p>
(3) New Business	<p>If Damage occurs at the Premises before the completion of the first year's trading of the Business, the Definitions in Section 2.1:</p> <p>(a) Annual Turnover; and</p> <p>(b) Standard Turnover;</p> <p>will be adjusted to reflect the proportional equivalent of the respective periods.</p>
(4) Our Limit of Liability	<p>Our liability is limited to the Sum Insured, less the stated Excess.</p>
(5) Underinsurance	<p>If your Turnover is insured for less than 80% of its value at the time the insurance under Section 2 was taken out, renewed, extended, or varied, we will only pay that portion of the claim which the Sum Insured bears to 80% of that value, in accordance with the formula:</p> $\frac{\text{Sum Insured}}{80\% \text{ of the value of Turnover}} \times \text{the Shortage in Turnover}$ <p>Example: Where your Turnover is valued at \$200,000 but only insured for \$100,000 and a loss of \$50,000 occurs, we will pay</p> $\frac{\$100,000}{(80\% \text{ of } \$200,000)} \times \$50,000 = \mathbf{\$31,250}$ <p>We will not pay the other \$18,750.</p> <p>This section 2.3(5) does not apply if the claim is less than 10% of the Sum Insured for any one loss.</p>

Section 2 – Shortage in Turnover and Additional Working Costs (continued)

2.4 Additional Benefits

- (1) If you have a valid claim under Section 2, **we will** also insure you for the following Additional Benefit necessarily and reasonably incurred, **but you must** obtain our consent prior to any of the costs being incurred.

Additional Benefit	Limits to Additional Benefits, in addition to the Sum Insured
(a) Claim Preparation Costs	<p>We will pay up to \$2,000 for the reasonable costs of your auditors or accountants for producing and certifying any particular, detail, proof, information, or evidence required for the preparation of a:</p> <ul style="list-style-type: none"> (i) Claim under Shortage in Turnover or Additional Working Costs in Section 2; or (ii) Combined claim under Fire and Other Defined Events in Section 1, and Shortage in Turnover or Additional Working Costs in Section 2.

- (2) If you are insured under Section 2, **we will** extend your insurance to include the following Additional Benefits.

Additional Benefit	Limits to Additional Benefit
(a) Explosion or Collapse of Boilers or Economisers	<ul style="list-style-type: none"> (i) We will pay for Shortage in Turnover and Additional Working Costs following loss, destruction, or damage to any Building or Property used by you at the Premises directly caused by Explosion or Collapse of: <ul style="list-style-type: none"> (A) steam pipes; (B) vessels under steam, gas, air, or other fluid pressure; or (C) Boilers or Economisers. (ii) We will not pay for Shortage in Turnover or Additional Working Costs following loss, destruction, or damage caused by, or resulting from: <ul style="list-style-type: none"> (A) wearing away or wasting of the material of any plant whether caused by leakage, corrosion, action of fuel, or otherwise; (B) slowly developing deformation or distortion of any part of any plant; (C) cracks, fractures, blisters, laminations, flaws, or grooving even when accompanied by leakage, or damage to tubes, headers, or other parts of the plant caused by overheating or leakage at seams, tubes, or other parts of any plant; or (D) failure of joints.
(b) Prevention of Access	<p>If loss results from the interruption to or interference with the Business due to damage to property in the vicinity of your Premises, which:</p> <ul style="list-style-type: none"> (i) could have been insured for Fire and Other Defined Events under Section 1, if owned by you; and (ii) prevents or hinders the use of, or access to, the Premises; <p>then, for the purpose of this Section 2, that loss will be deemed to be in consequence of Damage at the Premises.</p>
(c) Murder, Suicide, Poisoning, Disease or Defective Sanitary Arrangement	<p>If loss results from interruption or interference to the Business due to:</p> <ul style="list-style-type: none"> (i) murder or suicide occurring at the Premises; (ii) injury, illness or disease caused by the consumption of food or drink provided and consumed at the Premises; (iii) the outbreak of a human infectious or contagious disease occurring within a 20 kilometre radius of the Premises; (iv) closure or evacuation of the Premises by order of a government, public or statutory authority consequent upon: <ul style="list-style-type: none"> (A) the discovery of an organism likely to result in a human infectious or contagious disease at the Premises; (B) vermin or pests at the Premises; (C) defects in drains or other sanitary arrangements at the Premises; <p>then that loss will be deemed to be in consequence of the Damage.</p> <p>We will not cover interruption or interference to the Business under Additional Benefits (c)(iii) and (c)(iv)(A) in respect of Highly Pathogenic Avian Influenza in Humans or any other diseases declared to be quarantinable diseases under the Quarantine Act 1908 and subsequent amendments.</p>

Section 2 – Shortage in Turnover and Additional Working Costs (continued)

2.4 Additional Benefits (continued)

Additional Benefit	Limits to Additional Benefit
<p>(d) Public Utilities</p>	<p>If loss results from the interruption to or interference with the Business due to damage to property within Australia, which:</p> <ul style="list-style-type: none"> (i) belongs to or is controlled by suppliers of electric power, gas, communications, water or sewerage reticulation control systems from which you obtain services; and (ii) could be insured for Fire and Other Defined Events under Section 1 of this policy if such property were owned by you; and (iii) due to such damage, would have given rise to a valid claim had it been insured by this policy; <p>then, for the purpose of this Section 2, that loss will be deemed to be Damage at the Premises.</p>
<p>(e) Suppliers' or Customers' Premises</p>	<p>If loss results from the interruption to or interference with the Business due to damage to premises of your supplier or customer, which:</p> <ul style="list-style-type: none"> (i) if owned by you, could have been insured for Fire and Other Defined Events under Section 1 of this policy; and (ii) is within the Commonwealth of Australia; <p>then, for the purpose of this Section 2, that loss will be deemed to be in consequence of Damage at the Premises. We will pay:</p> <ul style="list-style-type: none"> (iii) in respect of Shortage in Turnover, up to 20% of the Sum Insured for Shortage in Turnover; and (iv) in respect of Additional Working Costs, up to the Sum Insured for Additional Working Costs.
<p>(f) Owner's Premises</p>	<p>If loss results from the interruption to or interference with the Business due to damage to any building at the Premises, where:</p> <ul style="list-style-type: none"> (i) you are a tenant under a current tenancy agreement; (ii) the damage to the building could have been insured for Fire and Other Defined Events under Section 1 of this policy, if owned by you; (iii) the owner of the building has in force a policy of insurance in respect of such damage to the building; and (iv) the insurer of the policy described in paragraph (iii) had admitted liability or would have paid for, or admitted liability, but for the operation of an excess, for such damage to the building; <p>then, for the purpose of this Section 2, that loss will be deemed to be in consequence of Damage.</p>

Section 2 – Shortage in Turnover and Additional Working Costs (continued)

2.5 Specific Exclusions

We do not insure you under Section 2, for any of the following circumstances.

Excluded Circumstances	
(1) Business Ceases	We will not pay for loss of any kind if the Business is wound up, carried on by a liquidator or receiver, or your interest ceases other than by death.
(2) Delay or Loss of Contract	We will not pay for loss of any kind due to delay, lack of performance, loss of contracts, or depreciation in the value of land or stock except as otherwise provided for under Section 2.
(3) Underinsurance	We will not pay for loss of any kind due to underinsurance under any Section of this policy, or any other policy or insurance.
(4) Public Utilities	We will not pay for loss of any kind due to the failure of a public utility to supply services, except as provided in Section 2.4(2)(d).

Also refer to the General Exclusions in Section 6 which are applicable to Section 2.

Section 3.1 – Burglary

3.1.1 Definitions

The intended meaning of some of the important words as used only in Section 3.1 are shown below.

Word	Meaning
“Building”	Any building at the Premises, including: (a) awnings, signs, lettering, meters and switchboards, lifts, hoists and all their attachments, electrical installations, fire alarm systems, fire sprinkler installations, towers, tanks, power lines, poles, walls, gates and fences, plant and apparatus, forming part of the building owned by you or for which you are legally responsible; and (b) all landlord’s fixtures and fittings for which you are legally responsible.
“Burglary”	(a) Stealing as a result of actual forcible and violent entry into the Premises; (b) Stealing or any attempted stealing by any person concealed on the Premises; or (c) Stealing as a result of threat of immediate violence or violent intimidation.
“Contents”	All contents at the Premises, including the value of work done, containers, and packing materials owned by you or for which you are legally responsible.
“Premises”	The premises specified in the Certificate of Insurance but not including any garden, yard, open verandah, open building, or other open areas.
“Protection Device”	The alarm or other device specified in the Certificate of Insurance as being installed on the Premises.
“Theft”	Stealing other than Burglary.

Also refer to the General Definitions which are applicable to Section 3.1.

3.1.2 Defined Event

Under Section 3.1, **we insure** you for loss, destruction, or damage to the Property at the Premises caused by **Burglary**, during the Period of Insurance.

We will not pay for any loss, destruction, or damage as set out in the Specific Exclusions in Section 3.1.5 or the General Exclusions in Section 6.

Section 3.1 – Burglary (continued)

3.1.3 Settlement

If you have a valid claim under Section 3.1, **we will** at our option pay for, reinstate, or repair the Property on the basis set out below.

Settlement Basis	
(1) Contents	<p>(a) Where the item of Contents is:</p> <ul style="list-style-type: none"> (i) lost or destroyed, its replacement by a similar item, to a condition equal to but not better or more extensive than its condition <u>when new</u>; and (ii) damaged, the repair or restoration of the item to a condition substantially the same as but not better or more extensive than its condition <u>when new</u>; but only if: (iii) the replacing or repair is carried out within a reasonable time; (iv) the repair cost does not exceed Reinstatement cost had the Property been totally lost or destroyed; (v) a sum equal to the cost of Reinstatement has actually been incurred; and (vi) all other insurances in respect of the Property have the same Reinstatement wording; <p>otherwise we will Indemnify you.</p> <p>(b) We are not bound to replace, restore or repair exactly or completely but only as circumstances permit and in a reasonably sufficient manner.</p>
(2) Our Limit of Liability	<p>Our liability is limited to:</p> <ul style="list-style-type: none"> (a) the Sum Insured in Section 3.1; or (b) the Sum Insured for Contents and Stock in Trade in Section 1; <u>whichever is the lesser</u>, less the stated Excess.
(3) One Automatic Reinstatement of the Sum Insured	<ul style="list-style-type: none"> (a) The amount by which the Sum Insured is reduced following an insured loss, destruction, or damage will be automatically reinstated only once in any one Period of Insurance, provided that you pay the appropriate extra Premium if required by us. (b) Subsequent reinstatement of the Sum Insured will not be automatic and will only be effected on such terms as we agree with you in writing.

Section 3.1 – Burglary (continued)

3.1.4 Additional Benefits

- (1) If you have a valid claim under Section 3.1, **we will** also insure you for the following Additional Benefits necessarily and reasonably incurred **but you must** obtain our consent prior to any of the costs being incurred.

Additional Benefits	Limits to Additional Benefits, in addition to the Sum Insured
(a) Temporary Protection	We will pay up to \$1,000 in total, during the Period of Insurance, for the cost of temporary protection for the safety of the Property pending repair of the damage.
(b) Locks or Keys	We will pay up to \$500 in total, during the Period of Insurance, for the cost of recoding or, if necessary, replacing locks or keys.

- (2) We will extend your insurance to include the following Additional Benefits.

Additional Benefits	Limits to Additional Benefits, in addition to the Sum Insured
(a) Directors', Proprietors', Partners' and Employees' Personal Property	<p>We will pay up to:</p> <ul style="list-style-type: none"> (i) \$500 in respect of any one director, proprietor, partner or employee; and (ii) a total of \$2,000; <p>in total, during the Period of Insurance, for the cost of directors', proprietors', partners' and employees' tools of trade and personal property, other than Money:</p> <ul style="list-style-type: none"> (iii) on the Premises; (iv) used in the Business; and (v) lost, destroyed, or damaged as a result of a Defined Event in Section 3.1.2.
(b) Repairing Damage to Building	We will pay up to \$2,000 in total, during the Period of Insurance, for repairing damage to the Building arising from Burglary or attempted Burglary, but only if you are a tenant and liable under the terms of a lease for damage to the Building.
(c) Book Debts	<p>We will pay up to \$5,000 for:</p> <ul style="list-style-type: none"> (i) your customers' outstanding debts, being money owed for goods purchased from you or services rendered by you on credit, which you would normally have collected and you are unable to recover directly due to the loss, destruction, or damage to your books of account as a result of a Defined Event in Section 3.1.2, occurring at the Premises and during the Period of Insurance, including an allowance for demonstrable trends of the Business at the time of such loss, destruction, or damage; and (ii) the reasonable cost of accountant's fees for: <ul style="list-style-type: none"> (A) certifying any particular, detail, or information required for the preparation of a claim under Section 3.1.4(2)(c)(i); and (B) reconstructing your books of account to enable you to recover such outstanding debts from your customers.

Section 3.1 – Burglary (continued)

3.1.5 Specific Exclusions

We do not insure you under Section 3.1, for the following circumstances.

Excluded Circumstances	
(1) Money	We will not pay for loss, destruction, or damage of Money.
(2) Tobacco	We will not pay more than \$500 for loss, destruction, or damage of tobacco, cigars, or cigarettes.
(3) Vehicles, Aircraft, or Watercraft	We will not pay for loss, destruction, or damage of motor vehicles of any type, including motorcycles, trailers, tractors, and self-propelled implements, watercraft, aircraft, or their accessories.
(4) Plans or Designs	We will not pay for loss, destruction, or damage of patterns, models, moulds, plans, or designs.
(5) Glass	We will not pay for breakage of glass.
(6) Personal Property and Household Property	We will not pay for loss, destruction, or damage of personal valuables, clothing and personal effects, and all other household property except as provided for in Section 3.1.4(2)(a).
(7) During or following Fire	We will not pay for loss, destruction, or damage resulting from Burglary, or attempted Burglary, during or following a fire at the Premises.
(8) Unexplained Shortages	We will not pay for loss, destruction, or damage in the form of unexplained shortages and/or disappearance.
(9) Connivance, Family or Employees	We will not pay for loss, destruction, or damage resulting from your connivance, or caused by any of your family or your employees, or a person lawfully on the Premises.
(10) Theft	We will not pay for loss, destruction, or damage resulting from Theft.
(11) Protection Device	We will not pay for loss, destruction, or damage if you do not at all times maintain the Protection Device in good condition and efficient working order, and make it operative whenever the Premises are left unoccupied.

Also refer to the General Exclusions in Section 6 which are applicable to Section 3.1.

Section 3.2 – Money

3.2.1 Definitions

The intended meaning of some of the important words as used only in Section 3.2 are shown below.

Word	Meaning
“Employee”	Any person who is engaged by you to work in your service in the ordinary course of your Business: (a) whom you remunerate by salary, wages, or commission; and (b) whom you have the right to control and direct in the performance of such work; but not including a director, partner or trustee of your Business, or any broker, commission merchant, consignee, contractor, or agent.
“Money in Transit”	(a) Money: (i) in transit to and from the Premises, while in your personal custody, or in the custody of persons authorised by you; or (ii) while contained in the night safe of any bank where you transact business. (b) Money in transit does not include Money on the Premises or in a private residence.
“Protection Device”	The alarm or other device specified in the Certificate of Insurance as being installed on the Premises.

Also refer to the General Definitions which are applicable to Section 3.2.

3.2.2 Defined Events

Under Section 3.2, we **insure** you for loss, destruction, or damage to Money caused by any Defined Event listed below occurring during the Period of Insurance **except** as stated under We Will Not Pay.

Defined Event	We Will Not Pay
	Refer also to the Specific Exclusions in Section 3.2.5 and the General Exclusions in Section 6
(1) Loss, Destruction, or Damage to Money in Transit	We will not pay for loss, destruction, or damage: (a) to Money in the night safe of a bank after closing time on the next bank business day following the deposit into the night safe; or (b) that did not occur within the Commonwealth of Australia.
(2) Loss, Destruction, or Damage to Money on the Premises during your Business hours, not in a securely locked safe	

Section 3.2 – Money (continued)

3.2.2 Defined Events (continued)

Defined Event	<p style="text-align: center;">We Will Not Pay</p> <p style="text-align: center;">Refer also to the Specific Exclusions in Section 3.2.5 and the General Exclusions in Section 6</p>
<p>(3) Loss, Destruction, or Damage to Money on the Premises outside your Business hours, not in a securely locked safe</p>	<p>We will not pay more than \$500.</p>
<p>(4) Loss, Destruction, or Damage to Money on the Premises while in a securely locked safe or strongroom, or when removed from the safe or strongroom for preparation for banking but only up to the time transit to your bank begins</p>	<p>We will not pay for any loss, destruction, or damage:</p> <ul style="list-style-type: none"> (a) from a safe or strongroom opened by a key or by combination details, either of which has been left on the Premises outside normal Business hours; (b) which did not occur at the Premises; or (c) if the Money is not immediately returned to a securely locked safe or securely locked strongroom should any interruption occur: <ul style="list-style-type: none"> (i) during preparation for banking; or (ii) while awaiting transit to your bank.
<p>(5) Loss, Destruction, or Damage to Money in your personal custody, or in the custody of persons authorised by you, while contained in your, or their, private residence</p>	<p>We will not pay for any loss, destruction, or damage:</p> <ul style="list-style-type: none"> (a) which did not occur in the Commonwealth of Australia; or (b) after the bank closing time on the next bank business day following the completion of the transit of the Money to the private residence.

Section 3.2 – Money (continued)

3.2.3 Settlement

If you have a valid claim under Section 3.2, **we will pay** you on the basis set out below.

Settlement Basis	
(1) Our Limit of Liability	Our liability is limited to the Sum Insured, less the stated Excess.
(2) One Automatic Reinstatement of the Sum Insured	<p>(a) The amount by which the Sum Insured is reduced following an insured loss, destruction, or damage will be automatically reinstated only once in any one Period of Insurance, provided that you pay the appropriate extra Premium if required by us.</p> <p>(b) Subsequent reinstatement of the Sum Insured will not be automatic and will only be effected on such terms as we agree with you in writing.</p>

3.2.4 Additional Benefits

(1) If you have a valid claim under Section 3.2.2(4), **we will** also insure you for the following Additional Benefit. **You must** obtain our consent prior to any of the costs being incurred.

Additional Benefit	Limits to Additional Benefits, in addition to the Sum Insured
(a) Safes and Strongrooms	We will pay up to a total of \$1,000 during the Period of Insurance for loss, destruction, or damage to the safe or strongroom caused by any person, not authorised by you, attempting to effect entry.

(2) **We will** extend your insurance to include the following Additional Benefit.

Additional Benefit	Limits to Additional Benefits, not in addition to the Sum Insured
(a) Employee Dishonesty	We will pay up to a total of \$1,000 during the Period of Insurance for loss, destruction, or damage to Money caused by collusion, embezzlement, or misappropriation by an Employee.

Section 3.2 – Money (continued)

3.2.5 Specific Exclusions

We do not insure you under Section 3.2, for the following circumstances.

Excluded Circumstances	
(1) Shortages	We will not pay for shortages resulting from clerical or accounting errors or errors in receiving or paying out Money.
(2) After Three Days	We will not pay for loss, destruction, or damage not discovered within three working days of its occurrence.
(3) Collusion, Embezzlement, or Misappropriation	We will not pay for loss, destruction, or damage resulting from collusion, embezzlement, or misappropriation by you, directors, partners, or Employees, except as provided for in Section 3.2.4(2)(a).
(4) Carriers	We will not pay for loss, destruction, or damage to Money carried by professional money carriers, professional carriers, or common carriers.
(5) Unattended Vehicle	We will not pay for loss, destruction, or damage from an unattended vehicle.
(6) Ransom or Extortion	We will not pay for loss, destruction, or damage resulting from ransom or extortion, other than actual assault or the threat of immediate violence to any person on the Premises.
(7) Protection Device	We will not pay for loss, destruction, or damage if you do not at all times maintain the Protection Device in good condition and efficient working order, and make the Protective Device operative whenever the Premises are left unoccupied.

Also refer to the General Exclusions in Section 6 which are applicable to Section 3.2.

Section 3.3 – Glass

3.3.1 Definitions

The intended meaning of some of the important words as used only in Section 3.3 are shown below.

Word	Meaning
“Advertising Signs”	Advertising signs or fluorescent display tubes in or attached to the Premises.
“Breakage”	A fracture extending through the entire thickness of the External Glass, Internal Glass, or Advertising Signs and lamination but not scratching or any other damage to, or imperfection of the External Glass, Internal Glass, or Advertising Signs.
“External Glass”	(a) Fixed glass in windows including window film, fanlights, and skylights; and (b) Ceramic tiled shop fronts; all forming part of the building, which you own or for which you are legally responsible.
“Internal Glass”	(a) Fixed glass in cabinets, table tops, shelves, and showcases; (b) Vitreous china urinals, toilet pans, and hand basins; and (c) Fixed mirrors; which you own or for which you are legally responsible.

Also refer to the General Definitions which are applicable to Section 3.3.

3.3.2 Defined Events

Under Section 3.3, we insure you for the Breakage of:

- (1) **Internal Glass;**
- (2) **External Glass;** or
- (3) **Advertising Signs;**

occurring during the Period of Insurance at the Premises.

We will not pay for any loss, destruction, or damage as set out in the Specific Exclusions in Section 3.3.5 or the General Exclusions in Section 6.

3.3.3 Settlement

If you have a valid claim under Section 3.3, we will at our option pay for, reinstate, or repair the Property on the basis set out below.

Settlement Basis	
(1) Internal Glass or External Glass	We will supply and fix in its frame replacement glass: (a) of the same type and quality as the broken glass; or (b) as required by Australian Standard AS1288-1994 Glass Code.
(2) Advertising Signs	We will pay up to a total of \$1,000 to Reinstate the Advertising signs, less the stated Excess.
(3) Our Limit of Liability	Our liability is limited to the: (a) replacement value for Internal Glass or External Glass; or (b) \$1,000 for Advertising Signs; less the stated Excess.
(4) Automatic Reinstatement of the Sum Insured	Following the occurrence of loss, destruction, or damage, the Sum Insured is reinstated to the full amount specified in the Certificate of Insurance, provided that you pay the appropriate extra Premium if required by us.
(5) Salvage	(a) You must carefully preserve all glass. (b) Glass salvaged from any Breakage becomes our property.

Section 3.3 – Glass (continued)

3.3.4 Additional Benefit

If you have a valid claim under Section 3.3, **we will** also insure you for the following Additional Benefit necessarily and reasonably incurred **but you must** obtain our consent prior to any of the costs being incurred.

Additional Benefit	Limits to Additional Benefits, in addition to the replacement value or the Sum Insured
(a) Signwriting and Repairs	<p>We will pay up to a total of \$1,000 during the Period of Insurance, for the cost of:</p> <ul style="list-style-type: none"> (a) signwriting or lettering; (b) temporary shuttering; (c) repairing damage to window frames, door frames, and burglar alarm tapes; and (d) replacing at cost price only, Property spoiled by broken glass; <p>less the stated Excess.</p>

3.3.5 Specific Exclusions

We do not insure you under Section 3.3, for the following circumstances.

Excluded Circumstances	
(1) Transit	We will not pay for Breakage during transit of any glass.
(2) Removal or Alteration	We will not pay for Breakage during the removal or alteration of any glass.
(3) Framework, Beading, or Fittings	We will not pay for Breakage during the removal or alterations of the framework, beadings, or other fittings.
(4) Fire	We will not pay for Breakage caused by fire.

Also refer to the General Exclusions in Section 6 which are applicable to Section 3.3.

Section 3.4 – Property in Transit

3.4.1 Definitions

The intended meaning of some of the important words as used only in Section 3.4 are shown below.

Word	Meaning
“Burglary”	Stealing following violent and forcible entry.
“In Transit”	From the time the Property commences to be loaded at the place of dispatch and continues during the normal course of transit, until delivered and unloaded at the place of destination.
“Motor Vehicle”	Any motor vehicle owned or leased by you and including any attached trailer.
“Property”	Stock in trade, tools of trade, plant and equipment, electronic equipment and mobile phones which you own or for which you are legally responsible, used in your Business.

Also refer to the General Definitions which are applicable to Section 3.4.

3.4.2 Defined Events

Under Section 3.4, **we insure** you for loss, destruction, or damage to the Property:

- (1) whilst In Transit as a result of **Collision or Overturning** of the Motor Vehicle carrying the Property; or
- (2) as a result of **Burglary** from:
 - (a) your private residence;
 - (b) an authorised person’s private residence; or
 - (c) a securely locked Motor Vehicle;

occurring within the Commonwealth of Australia during the Period of Insurance.

We will not pay for any loss, destruction, or damage as set out in the Specific Exclusions in Section 3.4.4 or the General Exclusions in Section 6.

Section 3.4 – Property in Transit (continued)

3.4.3 Settlement

If you have a valid claim under Section 3.4, **we will** at our option pay for, reinstate, or repair the Property on the basis set out below.

Settlement Basis	
(1) Property	<p>(a) Where the item of Property is:</p> <ul style="list-style-type: none"> (i) lost or destroyed, its replacement by a similar item, to a condition equal to but not better or more extensive than its condition <u>when new</u>; and (ii) damaged, the repair or restoration of the item to a condition substantially the same as but not better or more extensive than its condition <u>when new</u>; <p>but only if:</p> <ul style="list-style-type: none"> (iii) the replacing or repair is carried out within a reasonable time; (iv) the repair cost does not exceed Reinstatement cost had the Property been totally lost or destroyed; (v) a sum equal to the cost of Reinstatement has actually been incurred; and (vi) all other insurances in respect of the Property have the same Reinstatement wording; <p>otherwise we will Indemnify you.</p> <p>(b) We are not bound to replace, restore or repair exactly or completely but only as circumstances permit and in a reasonably sufficient manner.</p>
(2) Our Limit of Liability	Our liability is limited to the Sum Insured stated in the Certificate of Insurance, less the stated Excess.
(3) One Automatic Reinstatement of the Sum Insured	<p>(a) The amount by which the Sum Insured is reduced following an insured loss, destruction, or damage will be automatically reinstated only once in any one Period of Insurance, provided that you pay the appropriate extra Premium if required by us.</p> <p>(b) Subsequent reinstatement of the Sum Insured will not be automatic and will only be effected on such terms as we agree with you in writing.</p>

3.4.4 Specific Exclusions

We do not insure you under Section 3.4, for any of the following circumstances.

Excluded Circumstances	
(1) Jewellery	We will not pay for loss, destruction, or damage to jewellery, precious stones, precious metals, or bullion.
(2) Furs or Leather	We will not pay for loss, destruction, or damage to furs or leather apparel.

Also refer to the General Exclusions in Section 6 which are applicable to Section 3.4.

Section 4 – Broadform Liability

4.1 Definitions

The intended meaning of some of the important words as used only in Section 4, are shown below.

Word	Meaning
“Aircraft”	Any vessel, craft, aerial device, or thing, designed to fly in or through the atmosphere or space, including air cushion vehicles.
“Business”	The business, trade, or profession specified in the Certificate of Insurance including: <ul style="list-style-type: none"> (a) the provision and management by you of: <ul style="list-style-type: none"> (i) canteen, social, sports, welfare, and child care facilities for your employees’ benefit; and (ii) first aid, medical, fire, and ambulance services; and (b) your ownership or occupation of premises.
“Manufacturer”	A business which: <ul style="list-style-type: none"> (a) manufactures goods; or (b) is deemed to be a manufacturer under the Trade Practices Act 1974, because it: <ul style="list-style-type: none"> (i) holds itself out to the public as a manufacturer; (ii) has its own brand name on the goods; (iii) permits another person to promote the goods manufactured by the business; or (iv) imports the goods.
“Occurrence”	Any: <ul style="list-style-type: none"> (a) event, including continuous or repeated exposure to substantially the same general conditions, which results in Personal Injury or Property Damage neither expected nor intended by you; or (b) intentional act, by you or at your direction, resulting in Personal Injury but only if such Personal Injury arises solely from the use of reasonable force for the purpose of protecting persons or property.
“Personal Injury”	<ul style="list-style-type: none"> (a) Bodily injury, sickness, or disease including death, shock, fright, mental anguish, mental injury, or disability; (b) Unlawful arrest, wrongful detention, or false imprisonment; (c) Wrongful entry or eviction or other invasion of privacy; or (d) A publication of a libel or utterance of a slander or other defamatory material.
“Product Liability”	Liability for Personal Injury or Property Damage arising out of Your Product but only if the Personal Injury or Property Damage occurs away from your Premises or premises leased or rented to you and after physical possession of Your Product has been passed to others.
“Property Damage”	<ul style="list-style-type: none"> (a) Physical loss, destruction, or damage to tangible property; or (b) Loss of use of tangible property resulting from physical loss, destruction, or damage to the tangible property.

Section 4 – Broadform Liability (continued)

4.1 Definitions (continued)

Word	Meaning
<p>“Territorial Limit”</p>	<p>Anywhere in the world, except in the United States of America, Canada, or their Territories, Protectorates, or Dependencies where we only insure you for:</p> <ul style="list-style-type: none"> (a) Product Liability for Your Product being exported to the United States of America, Canada, or their Territories, Protectorates, or Dependencies; or (b) Personal Injury or Property Damage occurring during Business visits to the United States of America, Canada, or their Territories, Protectorates, or Dependencies by directors or employees normally resident outside the United States of America, Canada, or their Territories, Protectorates, or Dependencies. We do not insure directors or employees who are engaged in manual labour during any such visit.
<p>“Vehicle”</p>	<p>Any machine on wheels or self-laid tracks, designed to be propelled by other than manual or animal power, and any trailer or other attachment designed to be drawn by any such machine, but does not include Aircraft or Watercraft.</p>
<p>“Watercraft”</p>	<p>Any vessel, craft, or thing, designed to float or travel on, in, or through water.</p>
<p>“you” and “your”</p>	<p>Each person, company, or other entity specified in the Certificate of Insurance as being insured under this policy and includes:</p> <ul style="list-style-type: none"> (a) all subsidiary companies: <ul style="list-style-type: none"> (i) incorporated or acquired in the Territorial Limit; (ii) existing before the inception date of Section 4; and (iii) declared in the Proposal; (b) all companies incorporated or acquired, in the Territorial Limit, during the Period of Insurance and relating to the Business, where the incorporation or acquisition is notified to us in writing within 60 days of the incorporation or acquisition; and (c) any: <ul style="list-style-type: none"> (i) director, executive, officer, employee, partner, or shareholder of the Business; (ii) office bearer or member of a canteen, social, sports, welfare, or child care facility provided by the Business for employees’ benefit; (iii) member of a first aid, medical, fire, or ambulance service provided by the Business; and (iv) voluntary worker; while acting in such capacity.
<p>“Your Product” or “Product”</p>	<p>Any thing, (including any packaging, containers, directions, markings, instructions, warnings, or specifications) manufactured, deemed manufactured, grown, extracted, produced, processed, assembled, constructed, erected, installed, repaired, serviced, treated, sold, supplied, resupplied, or distributed by you or for you, in the course of the Business after physical possession has been passed to others.</p>

Also refer to the General Definitions which are applicable to Section 4.

Section 4 – Broadform Liability (continued)

4.2 Defined Events

Under Section 4, **we insure** you against all sums which you become **legally liable** to pay as compensation in respect of:

- (1) **Personal Injury; or**
- (2) **Property Damage;**

happening during the Period of Insurance as a result of an Occurrence within the Territorial Limit in connection with your Business.

We do not insure you for the incurring of a liability as set out in the Specific Exclusions in Section 4.5 or the General Exclusions in Section 6.

4.3 Settlement

If you have a valid claim under Section 4, **we will** settle your claim on the basis set out below.

Settlement Basis	
(1) Our Limit of Liability	<ul style="list-style-type: none"> (a) We will pay up to the Limit of Liability, less the stated Excess, for all compensation and Supplementary Payments in respect of any one Occurrence. (b) Except for Supplementary Payments as provided in Section 4.3(3)(b), we will not pay more than the Limit of Liability regardless of the number of: <ul style="list-style-type: none"> (i) legal entities comprised under the definition of “you” in Section 4.1; (ii) persons or organisations who sustain Personal Injury or Property Damage; or (iii) claims made or suits brought on account of Personal Injury or Property Damage.
(2) Product Liability	Our total liability for all claims arising out of the Product Liability during the Period of Insurance is limited to the Limit of Liability, less the stated Excess.
(3) Supplementary Payments	<ul style="list-style-type: none"> (a) We will pay: <ul style="list-style-type: none"> (i) legal costs and expenses incurred by you with our written consent for representation in any court, or in the settlement or defence of any claim; (ii) costs and expenses recoverable from you by any claimants; and (iii) first aid costs incurred by you for first aid rendered to others at the time of an Occurrence of Personal Injury. (b) The amount we will pay in (a) is included in the Limit of Liability except for an additional \$500,000 for: <ul style="list-style-type: none"> (i) all claims arising out of Product Liability during the Period of Insurance; or (ii) each Occurrence other than arising out of Product Liability; not arising in the United States of America, Canada, or their Territories, Protectorates, or Dependencies. (c) If a judgement or an amount required to settle a claim exceeds the Limit of Liability, our liability to pay legal costs and expenses is limited to the proportion the Limit of Liability bears to the judgement or settlement sum.

Section 4 – Broadform Liability (continued)

4.3 Settlement (continued)

Settlement Basis	
(4) Discharge of Liabilities	<p>(a) We may at any time pay to you, in respect of all claims:</p> <ul style="list-style-type: none">(i) the amount of the Limit of Liability; or(ii) any lesser sum for which the claims can be settled; <p>after deduction of any sum already paid as compensation in respect of the claims.</p> <p>(b) Upon the payment set out in paragraph (a), we will relinquish control of, and be under no further liability under the policy in connection with the claims except for costs, charges, and expenses:</p> <ul style="list-style-type: none">(i) recoverable from you in respect of the period prior to the date of the payment, whether or not pursuant to an order made subsequently; and(ii) incurred by us or incurred by you with our written consent prior to the date of the payment. <p>(c) We will not pay for any claim or judgement or defend any suit after our Limit of Liability has been exhausted.</p>
(5) Cross Liability	<p>Each of the parties comprising “you” are considered as a separate legal entity and the “you” or “your” will apply to each party as if a separate policy had been issued to each of the parties. Our aggregate liability is limited to the Limit of Liability, less the stated Excess.</p>

Section 4 – Broadform Liability (continued)

4.4 Additional Benefits

If you are insured under Section 4, **we will** extend your insurance to include the following Additional Benefits.

Additional Benefit	Limits to Additional Benefits, not in addition to the Limit of Liability.
(1) Principals	<p>We insure you for liability to indemnify any principal with whom you have entered into a contract or agreement for the performance of work, and the terms of the contract or agreement requires that you must indemnify the principal, but only:</p> <ul style="list-style-type: none"> (a) in relation to work carried out by you; and (b) if the liability would have been implied by law in the absence of the contract or agreement and in respect of claims for which you would be entitled to indemnity under Section 4 if the claim was made against you.
(2) Treatment Risk	<ul style="list-style-type: none"> (a) If your Business is that of a hairdresser or beauty salon, we will pay for claims arising directly or indirectly out of, or caused by, haircutting, haircolouring, hairdressing, shaving, shampooing, massaging, manicuring, facial treatment, ear piercing, hair removal or the use of hand or electric appliances. (b) We will not pay for claims arising: <ul style="list-style-type: none"> (i) directly or indirectly out of, or caused by, body or facial piercing, other than ear piercing; (ii) directly or indirectly out of, or caused by, any treatment or activity in respect of weight management or weight reduction; (iii) directly or indirectly out of, or caused by, the use of any sporting equipment or apparatus designed for exercise, weight management or weight reduction; (iv) directly or indirectly out of, or caused by, the use of any solarium, tanning machine or similar device; or (v) out of or resulting from sexual assault or sexual molestation. (c) Our total liability for all claims, during the Period of Insurance, arising out of the cover provided by Section 4.4(2) is limited to \$10,000,000, less the stated Excess. (d) Section 4.5(15) does not apply with respect to the cover provided by Section 4.4(2).

Section 4 – Broadform Liability (continued)

4.5 Specific Exclusions

We do not insure you under Section 4 for the following circumstances.

Excluded Circumstances	
(1) Vehicles	<p>We will not pay for claims arising out of or in connection with:</p> <ul style="list-style-type: none"> (a) the ownership, possession, maintenance, or use of any Vehicle which is registered or in respect of which compulsory insurance is required by any legislation; or (b) the loading of or unloading from any Vehicle which is registered or in respect of which registration is required by any legislation.
(2) Aircraft	<p>We will not pay for claims arising directly or indirectly out of, caused by, or in connection with:</p> <ul style="list-style-type: none"> (a) the ownership, possession, use, existence, working, navigation, or operation by you or on your behalf, of any Aircraft; (b) the repair, maintenance, servicing, or installation work in or on any Aircraft; (c) the use of any of Your Products with your knowledge in the construction of any Aircraft; or (d) Your Product manufactured specifically for and installed in an Aircraft, or arising out of Your Product which you knew would be so installed.
(3) Watercraft	<p>We will not pay for claims arising directly or indirectly out of, caused by, or in connection with:</p> <ul style="list-style-type: none"> (a) the ownership, possession, use, existence, working, navigation, or operation, by you or on your behalf, of any Watercraft while afloat; (b) the repair, maintenance, servicing, or installation work in or on any Watercraft; or (c) shipbreaking or shipbuilding.
(4) Pollution	<p>We will not pay for:</p> <ul style="list-style-type: none"> (a) claims arising directly or indirectly out of, caused by, or in connection with actual, alleged, or threatened seepage, discharge, dispersal, emission, release, or escape of pollutants being any solid, liquid, gaseous, or thermal irritant or contaminant including, but not limited to: <ul style="list-style-type: none"> (i) smoke, vapour, soot, or fumes; (ii) acids, alkalis, or chemicals; or (iii) waste, including material to be recycled, reconditioned, or reclaimed; or (b) any costs of removing, nullifying, or cleaning up pollutants; <p>unless caused by a sudden, identifiable, unintended, and unexpected happening which takes place in its entirety at a specific time and place, provided that:</p> <ul style="list-style-type: none"> (i) if such seepage, discharge, dispersal, emission, release, or escape extends beyond more than one Period of Insurance, we will not pay more than the Limit of Liability stated in the Certificate of Insurance; and (ii) our total liability for claims during the Period of Insurance is limited to the Limit of Liability, less the stated Excess.

Section 4 – Broadform Liability (continued)

4.5 Specific Exclusions (continued)

Excluded Circumstances	
<p>(5) Employers' Liability</p>	<p>We will not pay for claims in respect of Personal Injury to any person:</p> <ul style="list-style-type: none"> (a) to whom benefits are payable by you under any workers' or workmen's compensation legislation; (b) engaged under a contract of service or apprenticeship with you; or (c) arising from a liability imposed by any industrial award, agreement, or determination; <p>but we will pay for:</p> <ul style="list-style-type: none"> (d) claims for Personal Injury to any person who, while engaged under a contract of service or apprenticeship with you, is not a "Worker" as defined in the Work Health Act 1986 (NT) or the Workcover Queensland Act 1996 (Qld); and (e) common law claims for Personal Injury to any person who is deemed to be employed by you under section 175 of the Workers' Compensation and Rehabilitation Act 1981(WA) or deemed a "Worker" pursuant to any other section of the Act, other than those persons excluded by (b) above.
<p>(6) Property in your Physical or Legal Control</p>	<p>We will not pay for claims in respect of Property Damage to property owned by you, leased or rented to you, or in your physical or legal control, except for:</p> <ul style="list-style-type: none"> (a) Property Damage to premises which are leased or rented to you caused by fire, explosion, water discharging or leaking from any pipe or water system, or impact caused by any Vehicle; (b) Property Damage to Vehicles, not owned by you, or used by you or on your behalf, while in your physical or legal control but only where: <ul style="list-style-type: none"> (i) the Property Damage occurs while the Vehicle is in a car park owned or operated by you; and (ii) no part of your Business is the ownership or operation of a car park for reward; or (c) claims in respect of property not belonging to you but in your physical or legal control up to \$20,000 for any one Occurrence, but we will not pay for money, securities, or negotiable instruments.
<p>(7) Rectifying Faulty Work</p>	<p>We will not pay for claims in respect of rectifying faulty work.</p>
<p>(8) Contractual Liabilities</p>	<p>We will not pay for claims arising out of a liability assumed by you under any contract or agreement, except where:</p> <ul style="list-style-type: none"> (a) the liability would have been implied by law in the absence of the contract or agreement; or (b) the liability is in respect of a claim made by a lessor or landlord for indemnity for: <ul style="list-style-type: none"> (i) Personal Injury; or (ii) Property Damage; under the provisions of a lease or agreement for tenancy of premises occupied by you in connection with the Business, but not in respect of Property Damage to buildings, occupied in whole or in part by you, or their contents.

Section 4 – Broadform Liability (continued)

4.5 Specific Exclusions (continued)

Excluded Circumstances	
(9) Libel or Slander	<p>We will not pay for claims arising out of publication of a libel, utterance of a slander, or defamation:</p> <ul style="list-style-type: none"> (a) if the first injurious publication or utterance of the same or similar material by you or on your behalf was made prior to the inception date of Section 4; or (b) if the publication, utterance, or defamation was: <ul style="list-style-type: none"> (i) made by you or at your direction with knowledge of the falsity thereof; or (ii) in the course of or related to advertising, broadcasting, publishing, or telecasting activities conducted by or on your behalf.
(10) Asbestos	<p>We will not pay for claims directly or indirectly caused by or arising from:</p> <ul style="list-style-type: none"> (a) mining, processing, transport, distribution, and/or storage of asbestos; (b) manufacture of asbestos products and/or processing of materials containing asbestos; (c) installation, removal, treatment, or storage of materials containing asbestos; or (d) any process of decontamination, treatment, or control of asbestos.
(11) Loss of Use	<p>We will not pay for claims arising from loss of use of tangible property which has not been physically lost, destroyed, or damaged, resulting from:</p> <ul style="list-style-type: none"> (a) delay or lack of performance by you or on your behalf under any contract or agreement; or (b) the failure of Your Product to meet the level of performance, quality, fitness, or durability expressly or impliedly warranted or represented by you; <p>except for loss of use of other tangible property resulting from the sudden and accidental physical loss, destruction, or damage to Your Product after Your Product has been put to use by any person or organisation other than you.</p>
(12) Faulty Design	<p>We will not pay for claims caused by or arising out of the harmful nature, condition, or quality of any of Your Products, which nature, condition, or quality results from the use of any design, formula, specification, plan, or pattern intended to be used by you.</p>
(13) Product Defect	<p>We will not pay for claims in respect of Property Damage to Your Product if such Property Damage is attributable to any defect in Your Product or the harmful nature or unsuitability of Your Product.</p>
(14) Product Recall	<p>We will not pay for claims arising from the cost of withdrawal, inspection, removal, reinstallation, repair, replacement, or loss of use of:</p> <ul style="list-style-type: none"> (a) Your Product; or (b) any property of which Your Product forms a part; <p>if Your Product is recalled from the market or from use because of any known or suspected defect or deficiency in it.</p>
(15) Professional Liability	<p>We will not pay for claims against you arising out of any negligent act, error, or omission:</p> <ul style="list-style-type: none"> (a) in your professional conduct; or (b) in the professional conduct of any person for whom you may be legally liable; <p>except for liability of members of your first aid, medical, or ambulance services arising in connection with such activities, other than where your Business involves the provision of professional medical or ambulance services.</p>

Section 4 – Broadform Liability (continued)

4.5 Specific Exclusions (continued)

Excluded Circumstances	
(16) Cutting, Heating, Welding, or Grinding	<p>We will not pay for claims arising directly or indirectly out of, caused by, or in connection with:</p> <ul style="list-style-type: none"> (a) cutting; (b) heating; (c) welding; or (d) grinding; <p>except where you have complied with the current Australian Standard for Safety in Welding and Allied Processes – Fire Precautions as set out in the Australian Standard.</p>
(17) Activities	<p>We will not pay for claims arising directly or indirectly out of, caused by, or in connection with any person participating in any activity involving:</p> <ul style="list-style-type: none"> (a) the riding of an animal; (b) scuba diving; (c) the use of a motorcycle; (d) abseiling, rock climbing, or the like; (e) snow skiing or sled riding; or (f) shooting, hunting, or the use of firearms.
(18) Underground Cables, Pipes, and Services	<ul style="list-style-type: none"> (a) We will not pay for claims in respect of Property Damage to underground cables, wires, pipes, or other services caused by or arising out of the use of any mechanical digging, scraping, grading, drilling, or levelling apparatus affixed to or forming part of any Vehicle, except where: <ul style="list-style-type: none"> (i) such apparatus is affixed to or forms part of any unregistered Vehicle; (ii) the appropriate authority has been contacted to verify the existence and location of such underground services and fittings; and (iii) a plan detailing the location of such services and fittings is obtained from the relevant authority prior to the commencement of the work. (b) You must pay an Excess of \$2,000 for any one event in respect of Property Damage to underground cables, wires, pipes, or other services including their supports and fittings.
(19) Discrimination	<p>We will not pay for claims arising out of the breach of any legal obligation relating to the prohibition of discrimination referred to in any anti-discrimination legislation.</p>
(20) Child Molestation	<p>We will not pay for claims arising out of or resulting from the molesting of minors.</p>
(21) Contract Works	<p>We will not pay for claims arising out of construction, erection, demolition, alteration, or installation work by you or on your behalf except where the total contract price payable to or by you at the time of commencement of all work is less than \$100,000.</p>

Section 4 – Broadform Liability (continued)

4.5 Specific Exclusions (continued)

Excluded Circumstances	
(22) Jurisdiction outside Territorial Limit	<p>We will not pay for claims:</p> <p>(a) brought against you in the United States of America, Canada, or their Territories, Protectorates, or Dependencies; or</p> <p>(b) arising as a consequence of:</p> <p>(i) you entering into contractual obligations subscribing to the jurisdiction of a court of the United States of America, Canada, or their Territories, Protectorates, or Dependencies; or</p> <p>(ii) any agreement by you to indemnify any other party in respect of an award, judgement, or settlement made under the jurisdiction of a court in the United States of America, Canada, or their Territories, Protectorates, or Dependencies.</p>
(23) Fines or Penalties	We will not pay or be liable for fines or penalties.
(24) Punitive Damages	We will not pay or be liable for aggravated, punitive, or exemplary damages.

Also refer to the General Exclusions in Section 6 which are applicable to Section 4.

4.6 Specific Conditions

If you are insured under Section 4, **you must** follow the Specific Conditions noted below otherwise we may decline to pay any claim under Section 4.

Specific Conditions	
(1) Claims Procedures and Requirements	<p>You must:</p> <p>(a) immediately notify us in writing of the Occurrence of any Personal Injury or Property Damage;</p> <p>(b) provide us with all reasonable particulars and information that we may require;</p> <p>(c) immediately, on receipt, forward to us every letter, writ, summons, and process;</p> <p>(d) give all information and assistance we may require in the prosecution, defence, or settlement of any claim; and</p> <p>(e) use your best endeavours to preserve any damaged, defective, or other appliances, plant, or things which might prove necessary or useful by way of evidence in connection with any claim.</p>
(2) Alteration or Repair	You must not alter or repair any building, appliance, plant, or thing relevant to any claim, until we have the opportunity of an inspection, unless necessary for practical or safety reasons.
(3) No Admission of Liability	You must not make any admission of liability, offer, promise, or payment without our prior written consent.
(4) Notice	Every notice or communication to us must be in writing.

Section 4 – Broadform Liability (continued)

4.6 Specific Conditions (continued)

Specific Conditions	
(5) Inspection	<p>(a) If required by us you must allow us:</p> <ul style="list-style-type: none"> (i) at any time to inspect your Property and operations; and (ii) to examine and audit your books and records at any time during the Period of Insurance and within three years of the final termination of cover under Section 4. <p>(b) Neither our inspection nor any report constitutes an undertaking to determine or warrant that such Property or operations are:</p> <ul style="list-style-type: none"> (i) safe; (ii) healthful; or (iii) in compliance with any law, rule, or regulation.
(6) Product Recall	<p>You must at your own expense take reasonable action to trace, recall, or modify any of the Products containing any defect or deficiency which you have knowledge of, or have reason to suspect contain any defect or deficiency.</p>
(7) Reasonable Care	<p>You must:</p> <ul style="list-style-type: none"> (a) take all reasonable precautions to prevent Personal Injury and Property Damage and comply with all statutory obligations for the safety of persons or property; (b) in the event of an Occurrence, promptly take at your own expense all reasonable steps to prevent other Personal Injury or Property Damage from arising out of the same or similar circumstances; and (c) comply with all statutory obligations concerning the inspection of passenger lifts and steam pressure apparatus.
(8) Maintenance of Product Records	<p>You must keep and maintain the following records for at least 12 years after the date upon which such records are brought into existence:</p> <ul style="list-style-type: none"> (a) research and development documents; (b) design and manufacturing specifications; (c) documents made or received by you showing the source and quality of components received by you; (d) lists of businesses in the distribution chain; (e) sales records of goods, including batch and model numbers, by destination and date; and (f) records or documents containing details of all of your quality control measures, inspections, testing, repairs, replacements, and recalls.
(9) Your Responsibility to Identify Manufacturer /Supplier	<p>You must:</p> <ul style="list-style-type: none"> (a) supply within 30 days, following receipt of a written request from any person, to that person, particulars identifying: <ul style="list-style-type: none"> (i) the Manufacturer of the Product; or (ii) the supplier of the Product to you; in respect of any Product sold or supplied by you to that person; and (b) retain proof that the person received notification in writing within the 30-day period.

Section 4 – Broadform Liability (continued)

4.6 Specific Conditions (continued)

Specific Conditions	
(10) Waiver of Subrogation	<p>(a) We will not exercise our rights of subrogation under Section 4 against:</p> <ul style="list-style-type: none">(i) any corporation, the majority of whose capital stock is owned or controlled by you;(ii) any corporation, firm, or individual who owns or controls the majority of your capital stock; or(iii) any corporation, firm, or individual to which, or to whom, protection is afforded under Section 4. <p>(b) We will however exercise our rights of subrogation if such corporation, firm, or individual is protected from such loss by any other insurance, but only to the extent and up to the Sum Insured/Limit of Liability of the other insurance.</p>

Also refer to the General Conditions in Section 7.

Section 5 – Machinery

5.1 Definitions

The intended meaning of some of the important words as used only in Section 5 are shown below.

Word	Meaning
“Boiler Explosion”	The sudden and violent rending of the Boiler or Pressure Vessel by force of internal steam, gas, or fluid pressure (including pressure of ignited flue gases) causing bodily displacement of its structure together with forcible ejection of its contents.
“Boiler or Pressure Vessel”	Those parts of the permanent structure of a boiler, pressure vessel, economiser, or superheater and attaching pipe systems, specified in the Certificate of Insurance, which are subject to internal steam, gas, or fluid pressure.
“Breakdown”	Sudden and unforeseen physical damage which requires immediate repairs or any part to be replaced in order to make the Machine operate in the same manner and condition as before the sudden and unforeseen physical damage.
“Collapse”	The sudden and dangerous distortion of a Boiler or Pressure Vessel caused by bending or crushing of the permanent structure by vacuum or reduced pressure, or by force of steam, gas, or fluid pressure (other than pressure of ignited flue gases), including damage caused by overheating resulting from deficiency of water.
“Machine”	<ul style="list-style-type: none">(a) refrigeration and air-conditioning systems up to and including 3.7kw (5hp) compressor motor size;(b) microwave ovens, electronic scales and cash registers;(c) other electric motors up to and including 5kw (7hp) excluding refrigeration and air-conditioning compressor motors; and(d) hot water boilers and/or coffee machines up to and including 75kw (300,000 btu/hr).

Also refer to the General Definitions which are applicable to Section 5.

5.2 Defined Events

If your Certificate of Insurance indicates that you have taken out insurance under Section 5, **we insure** you for:

- (1) **Breakdown of the Machine;** or
 - (2) **Boiler Explosion or Collapse of the Boiler or Pressure Vessel;**
- occurring at the Premises during the Period of Insurance.

We do not insure you for the matters set out in the Specific Exclusions in Section 5.5 or the General Exclusions in Section 6.

Section 5 – Machinery (continued)

5.3 Settlement

If you have a valid claim under Section 5, **we will** at our option pay for, reinstate, or repair the Machine, Boiler or Pressure Vessel on the basis set out below.

Settlement Basis	
(1) Machine	<p>(a) Where the Machine is:</p> <p>(i) lost or destroyed, its replacement by a similar machine to a condition equal to but not better or more extensive than its condition <u>as it was when last working safely before the time of loss or destruction</u>;</p> <p>(ii) damaged, the repair and/or restoration of the Machine <u>without deduction for depreciation</u>.</p> <p>(b) We are not bound to replace, restore or repair exactly or completely but only as circumstances permit and in a reasonably sufficient manner.</p> <p>(c) If the Machine or its component can be repaired, then it must be repaired unless the cost of repair exceeds the replacement cost, in which case the Machine or its component will be replaced <u>without deduction for depreciation</u>.</p>
(2) Boiler or Pressure Vessel	<p>(a) Where the Boiler or Pressure Vessel is:</p> <p>(i) lost or destroyed, its replacement by similar property to a condition equal to but not better or more extensive than its condition <u>when new</u>; or</p> <p>(ii) damaged, the repair and/or restoration of the Boiler or Pressure Vessel to a condition substantially the same as but not better or more extensive than its condition <u>when new</u>.</p> <p>(b) We are not bound to replace, restore or repair exactly or completely but only as circumstances permit and in a reasonably sufficient manner.</p> <p>(c) If the Boiler or Pressure Vessel can be repaired, then it must be repaired unless the cost of repair exceeds the replacement cost, in which case the Boiler or Pressure Vessel will be replaced <u>without deduction for depreciation</u>.</p>
(3) Salvage	Unless otherwise agreed in writing, the agreed value of any salvage will be deducted from any claim and the salvage will remain your property.
(4) Our Limit of Liability	Our liability is limited to the Sum Insured, less the stated Excess.
(5) Underinsurance	<p>(a) If your Property is insured for less than 80% of its value, determined in accordance with the Property's Settlement Basis in Sections 5.3(1), 5.3(2), or 5.7(1)(c)(ii), at the time the insurance under Section 5 was taken out, renewed, extended, or varied, we will only pay that portion of the claim which the Sum Insured bears to 80% of the value, in accordance with the formula:</p> $\frac{\text{the Sum Insured}}{80\% \text{ of the value of the Property}} \times \text{the value of the loss, destruction, or damage}$ <p style="text-align: center;">Example: Where the Property is valued at \$20,000 but only insured for \$10,000 and a loss of \$5,000 occurs, we will pay</p> $\frac{\$10,000}{(80\% \text{ of } \$20,000)} \times \$5,000 = \$3,125$ <p style="text-align: center;">We will not pay the other \$1,875.</p> <p>(b) This Section 5.3(5)(a) does not apply if the Sum Insured is indicated as a total limit for any one loss.</p>

5.4 Additional Benefits

- (1) If you have a valid claim under Section 5, **we will** also insure you for the following Additional Benefits necessarily and reasonably incurred, **but you must** obtain our consent prior to any of the costs being incurred.

Additional Benefit	Limits to Additional Benefits, not in addition to the Sum Insured
(a) Overtime, Freight, Hire, and Temporary Repair	We will pay up to a total of 20% of the Sum Insured or \$5,000 <u>whichever is the lesser</u> for: <ul style="list-style-type: none"> (i) extra charges for overtime, night work, or work on public holidays; (ii) express freight anywhere in the world other than specifically chartered air freight; (iii) the cost of hiring of temporary machines; and (iv) the cost of effecting temporary repair.
(b) Turbine or Deep Well Type Pumps	We will pay up to \$500 for any one occurrence for the costs associated with the removal or reinstallation of turbine or deep well type pumps.

- (2) If you are insured under Section 5, **we will** extend your insurance to include the following Additional Benefit.

Additional Benefit	Limits to Additional Benefits, not in addition to the Sum Insured
(a) Automatic Inclusion of Similar Items	We will insure, for a period not exceeding three months, any additional machine, boiler, or pressure vessel which is installed, tested, and commissioned for commercial use and which is of a similar category to any Machine, Boiler or Pressure Vessel previously declared to us, but : <ul style="list-style-type: none"> (i) the value of the additional machine, boiler or pressure vessel must not exceed the current Sum Insured; (ii) the additional machine, boiler or pressure vessel must be free from material defects known to you and must comply with any statutory obligation concerning its examination and certification; (iii) you must inform us within three months of the installation of such additional machine, boiler or pressure vessel and pay the appropriate extra Premium; and (iv) if following any examination an additional machine, boiler or pressure vessel proves to be unacceptable to us, you will be notified in writing and the insurance on that additional machine, boiler or pressure vessel cancelled.

Section 5 – Machinery (continued)

5.5 Specific Exclusions

We do not insure you under Section 5, for the following circumstances.

Excluded Circumstances	
(1) Maintenance	We will not pay for maintaining, cleaning, adjusting, overhauling, or making improvements to the Machine, Boiler or Pressure Vessel.
(2) Wear, Tear and Leakage	We will not pay for the cost of rectifying: <ul style="list-style-type: none"> (a) wear, tear, or gradual deterioration; (b) scratching or other marking of painted or polished surfaces; (c) wearing away or wasting of the material of the Machine, Boiler or Pressure Vessel by atmospheric conditions, rust, erosion, oxidation, leakage, corrosion, or ordinary use; (d) slowly developing deformation or distortion of any part of the Machine, Boiler or Pressure Vessel; (e) cracks, fractures, blisters, laminations, flaws, or grooving even if accompanied by leakage or damage to tubes, heaters, or other parts of the Boiler or Pressure Vessel caused by overheating or leakage at seams, tubes, or other parts of the Boiler or Pressure Vessel; or (f) failure of joints.
(3) Hydraulic or Hydrostatic Test	We will not pay for the cost of rectifying damage arising during the application of or resulting from any hydraulic or hydrostatic test of the Boiler or Pressure Vessel.
(4) Perils	We will not pay for loss, destruction, or damage caused by or arising from: <ul style="list-style-type: none"> (a) fire, attempts to prevent the spread of fire, extinguishing of a fire, or subsequent demolition; (b) smoke or soot; (c) lightning; (d) explosion, other than Boiler Explosion; (e) impact of landborne vehicles or waterborne craft; (f) earthquake, subterranean fire, or volcanic eruption; (g) landslip, subsidence, or erosion; (h) riot, strike, lockout, civil commotion, persons acting maliciously on behalf of or in connection with any political organisation, or cessation of work whether total or partial; (i) aircraft or other aerial devices or articles dropped therefrom; (j) storm, tempest, windstorm, hurricane, or cyclone; (k) rainwater or flood; (l) liquid or substance discharging or leaking from any apparatus, appliance, pipe, or other system, unless the apparatus, appliance, pipe, or other system forms part of the Machine; (m) stealing or attempted stealing; or (n) the act of malicious damage.
(5) Existing Faults	We will not pay for faults or defects known to you or your employees and not disclosed to us at the time this insurance was entered into.

Section 5 – Machinery (continued)

5.5 Specific Exclusions (continued)

Excluded Circumstances	
(6) Unsafe or Unlawful Operation	<p>We will not pay:</p> <p>(a) if at the time of loss, destruction, or damage:</p> <ul style="list-style-type: none"> (i) the setting of any safety device was in excess of the limit imposed by any applicable regulation or the limit recommended by the manufacturer; (ii) any safety device was removed or rendered inoperative; or (iii) the Boiler or Pressure Vessel was not the subject of a current certificate of inspection as required by any regulation; <p>(b) where the Boiler or Pressure Vessel:</p> <ul style="list-style-type: none"> (i) does not conform with all applicable Australian standards or codes; or (ii) is operating in an unsafe condition; or <p>(c) where an inspection by a competent person has not been carried out at intervals specified in Australian Standard AS/NZS 3788 1996.</p>
(7) Fitting of Automatic Devices to Unattended Combustion Engines	<p>We will not pay for loss, destruction, or damage to an unattended combustion engine as a result of the combustion engine not being fitted with an effective operational engine monitoring device which will stop the combustion engine in the event of a lubricating or cooling fault or failure.</p>
(8) Fitting of Flow/Pressure Switch to Submersible or Turbine Pump	<p>We will not pay for loss, destruction, or damage, to a submersible or turbine pump as a result of the submersible or turbine pump not being fitted with an effective operational water flow or pressure switch capable of stopping the submersible or turbine pump in the event of water pressure drop or insufficient water flow.</p>
(9) Modifications, Alterations, Additions, Improvements or Overhauls	<p>We will not pay for the cost of any modifications, alterations, additions, improvements, or overhauls of the Machine, Boiler or Pressure Vessel.</p>
(10) Liability	<p>We will not pay for legal liability of any kind.</p>
(11) Consumables and Materials	<p>We will not pay for the cost of replacement of:</p> <ul style="list-style-type: none"> (a) heating or defrosting elements, brushes, batteries, screens, sieves, belts, ropes, wires, chains, felts, fabrics, packing, exchangeable tools, dryers, cutting blades, seals, fuses, filters, glass or ceramic components, electric contacts, filaments, tyres, rails, wear plates, dies, engraved cylinders, moulds, patterns, or other parts which by their use and nature suffer a high rate of wear or depreciation; (b) refrigerant or transformer oils due to defective glands, seals, valves, gauges or loose connections; (c) fuels, chemicals, filter substances, heat transfer media, cleaning agents, lubricants, oil, catalysts, or other operating material; (d) concrete, brickwork, or refractories; or (e) materials in the course of or undergoing processing.
(12) Statutory Regulations	<p>We will not pay for the cost of replacement or exchange of:</p> <ul style="list-style-type: none"> (a) parts, equipment, or apparatus; (b) liquids; or (c) refrigerant gases; <p>to meet or comply with any statute or regulation in relation to substitution of refrigerant gas requirements whether carried out in the course of payable repairs or as a separate operation.</p>

Section 5 – Machinery (continued)

5.5 Specific Exclusions (continued)

Excluded Circumstances	
(13) Testing	We will not pay for damage arising from the Machine, Boiler or Pressure Vessel being: <ul style="list-style-type: none"> (a) subjected to tests involving abnormal stresses; or (b) intentionally overloaded.
(14) Damage to Machine, Boiler or Pressure Vessel	We will not pay for loss, destruction, or damage to: <ul style="list-style-type: none"> (a) computers, telephone and closed circuit television installations, and other office electronic equipment; (b) gaming, gambling, amusement, vending machinery, audio, or visual entertaining equipment; (c) any vehicle, caravan, trailer, or cycle; (d) lifts, escalators, or elevators; (e) reticulating electrical wiring or lighting equipment; (f) water and gas piping; (g) storage tanks and vats; (h) watercraft; or (i) aircraft.
(15) Warranty or Guarantee	We will not pay for replacement parts, labour cost, or travelling cost recoverable under any supplier's, manufacturer's, or repairer's warranty or guarantee, or which would have been covered but for a breach of your obligations under the terms of the warranty or guarantee.

Also refer to the General Exclusions in Section 6 which are applicable to Section 5.

5.6 Specific Conditions

If you are insured under Section 5, **you must** follow the Specific Conditions noted below otherwise we may decline to pay any claim under Section 5.

Specific Conditions	
(1) Notice of Alterations and Additions	<ul style="list-style-type: none"> (a) You must notify us within 30 days of changes in work conditions, removal, alterations, or additions to the Machine, Boiler or Pressure Vessel. (b) If we do not approve of such changes, we may cancel the insurance in respect of the Machine, Boiler or Pressure Vessel and return to you a proportion of the Premium for the unexpired Period of Insurance.
(2) Claims Procedures and Requirements	<ul style="list-style-type: none"> (a) You must notify us prior to commencement of any repairs in excess of \$500 to ensure repairs are acceptable to us; and (b) Your repairer must leave on the Premises, for our inspection, all parts that have been replaced.
(3) Inspection	You must at all reasonable times permit our representative to inspect the Machine, Boiler or Pressure Vessel.

Also refer to the General Conditions in Section 7.

Section 5 – Machinery (continued)

5.7 Optional Covers

If selected by you and specified in the Certificate of Insurance, the Optional Cover as indicated below will apply.

Details of Cover	
<p>(1) Refrigerated Stock</p>	<p>(a) We will pay for loss, destruction, or damage to stock, including its packaging, held in a refrigerated compartment, arising from deterioration or putrefaction caused by:</p> <ul style="list-style-type: none"> (i) a Breakdown payable under Section 5 or which would have been payable other than for the application of any excess; (ii) a breakdown of the public electricity supplier's system which would have been payable if insured under Section 5, but we will not pay for a deliberate act of the supplier, unless performed for the sole purpose of safeguarding life or protecting a part of the supplier's system; or (iii) the operation or failure of the Machine's protective devices or thermostats, but we will not pay for loss, destruction, or damage caused by the manual operation or manual setting of switches or controls. <p>(b) We will pay for the reasonable expenses incurred to minimise and prevent further loss, provided the expenses do not exceed the loss avoided.</p> <p>(c) Our liability is limited to:</p> <ul style="list-style-type: none"> (i) the Sum Insured; or (ii) the purchase cost of the lost, destroyed, or damaged stock plus the additional expenses incurred; <p>whichever is the lesser, less the stated Excess.</p> <p>(d) Following the occurrence of loss, destruction, or damage, the Sum Insured is reinstated to the full amount specified in the Certificate of Insurance. You must pay the appropriate extra Premium if required by us.</p> <p>(e) We will not pay for loss, destruction, or damage resulting from:</p> <ul style="list-style-type: none"> (i) the inefficiency of the refrigeration system to hold the refrigerated compartment containing the refrigerated stock at the required temperature; (ii) the accidental or deliberate switching off of the refrigeration system controlling the refrigerated compartment containing the refrigerated stock; (iii) shrinkage, inherent defects, or diseases; (iv) improper storage or stowage or collapse of packing materials; (v) refrigerated stock that has passed its use-by date; or (vi) damage to goods which are alive or of a bacterial nature. <p>(f) Unless we have authorised otherwise, any damaged refrigerated stock must be retained for our inspection before disposal.</p>

SECTION 6 – GENERAL EXCLUSIONS

We do not insure you under this policy, for the following circumstances.

Excluded Circumstances	
<p>(1) Year 2000 Exclusion</p>	<p>“Equipment” means any device, equipment, machine, medium, system (whether computer or otherwise and including any embedded system), hardware, firmware, software, or any part or component of any of the foregoing (including any circuit, processor, or chip).</p> <p>“Year 2000 Conformity” means that the:</p> <ul style="list-style-type: none"> (a) performance; (b) operation; or (c) functionality; <p>(including but not limited to the ability to create, recognise, process, calculate, manipulate, retain, deal with, or store data) is not in any way adversely affected or prejudiced by the manner in which any date or any year:</p> <ul style="list-style-type: none"> (d) before; (e) during; or (f) after; <p>the year 2000 is described, interpreted, or recognised (including but not limited to the recognition of any date as its true calendar date or any period of time as its true period of time).</p> <p>“Shortage in Turnover” and “Additional Working Costs” have the same meanings as in Section 2.</p>
<h3>Exclusions</h3>	
<p>(a) We will not pay for any claim under Section 4 directly or indirectly arising from or in any way connected with the failure or inability of any equipment to meet Year 2000 Conformity.</p> <p>(b) (i) We will not pay for any claim under Sections 1 or 2 directly or indirectly arising from or in any way connected with the failure or inability of any equipment to meet Year 2000 Conformity.</p> <p>(ii) Notwithstanding the provisions of paragraph (b)(i), we will pay for a claim for:</p> <ul style="list-style-type: none"> (A) subsequent loss, destruction, or damage under Section 1; and (B) Shortage in Turnover or Additional Working Costs under Section 2; <p>not otherwise excluded, caused by:</p> <ul style="list-style-type: none"> (I) fire; (II) explosion; (III) escape of liquids resulting from bursting, leaking, discharging, or overflowing of pipes, tanks, fixed room heating, or water apparatus; or (IV) impact by vehicle, aircraft, or watercraft; <p>but we will not pay for such Shortage in Turnover or Additional Working Costs where it results from any continuing failure or inability of any equipment to meet Year 2000 Conformity after the lost, destroyed or damaged Property is repaired or replaced.</p>	

SECTION 6 – GENERAL EXCLUSIONS (continued)

Excluded Circumstances	
(2) Warlike Activities or Nuclear Material	<p>We will not pay for loss, destruction, damage, or the incurring of a liability directly or indirectly caused by, or contributed to, or in consequence of:</p> <ul style="list-style-type: none"> (a) war, invasion, acts of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, confiscation, nationalisation, requisition, or destruction of, or damage to property by or under the order of any government, public, or local authority or looting, sacking, or pillage following any of the above; (b) nuclear weapons material; or (c) ionising radiations, contamination, radioactivity from any nuclear fuel or nuclear waste, or from the combustion of nuclear fuel, or from any self-sustaining process of nuclear fission.
(3) Consequential Loss	<p>We will not pay for any loss, destruction, damage, or liability directly or indirectly caused by or contributed to by consequential loss of any description to the Business.</p>
(4) Fraudulent Claims	<p>We will not pay if you, or anyone acting on your behalf or with your knowledge or connivance, should make a claim knowing or reasonably suspecting the same to be false or fraudulent. Making a fraudulent claim is a criminal offence. We may report to the police any person who lodges a fraudulent claim.</p>
(5) Intentional Act	<p>We will not pay a claim if you or someone else with your knowledge deliberately caused any part of the loss, destruction, damage, or liability.</p>
(6) Terrorism	<p>We will not pay for loss, destruction, damage, cost, expense or the incurring of a liability directly or indirectly caused by, or contributed to by, resulting from, or arising out of or in connection with any act of terrorism, as defined herein, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.</p> <p>An act of terrorism includes any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:</p> <ul style="list-style-type: none"> (a) involves violence against one or more persons; or (b) involves damage to property; or (c) endangers life other than that of the person committing the action; or (d) creates a risk to health or safety of the public or a section of the public; or (e) is designed to interfere with or disrupt an electronic system. <p>We will also not pay for loss, destruction, damage, cost, expense or the incurring of a liability directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with any action in controlling, preventing, suppressing, retaliating against, or responding to any act of terrorism.</p> <p>Provided that in accordance with the Terrorism Insurance Act 2003, the above exclusion will not apply in respect to an act deemed by the Federal Treasurer to be a “declared terrorist incident”.</p>

SECTION 6 – GENERAL EXCLUSIONS (continued)

Excluded Circumstances	
(7) Electronic Data	<p>“Electronic Data” means facts, concepts, and information converted to a form usable for communications, display, distribution, interpretation, or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software, and other coded instructions for such equipment.</p>
	Exclusions
	<p>We will not pay for any claim under this policy directly or indirectly arising from or in any way connected with:</p> <ul style="list-style-type: none"> (a) total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation, or misappropriation of Electronic Data; (b) any error in creating, amending, entering, deleting, or using Electronic Data; or (c) total or partial inability or failure to receive, send, access, or use Electronic Data for any time or at all; <p>arising from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur, other than arising solely from:</p> <ul style="list-style-type: none"> (d) fire; (e) lightning; (f) explosion; (g) earthquake, subterranean fire, or volcanic eruption; (h) escape of liquid as a result of bursting, leaking, discharging, or overflowing of pipes, tanks, fixed room heating, or water apparatus; (i) impact by trees, watercraft, or aircraft and other aerial devices; (j) impact by vehicles or animals; (k) storm or rainwater; or (l) burglary or theft of the computer hardware, firmware, medium, microchip, integrated circuit or similar device containing the Electronic Data.

Also refer to Specific Exclusions in each Section which are applicable to this policy.

SECTION 7 – GENERAL CONDITIONS

The General Conditions set out below apply to all the Sections. **You must** comply with all the General Conditions otherwise we may be entitled to refuse to pay a claim, or to reduce the amount you are entitled to receive.

General Conditions Refer also to the Specific Conditions in each Section	
(1) Claim Procedures	If something happens which gives rise or may give rise to a claim under this policy: <ul style="list-style-type: none"> (a) you must: <ul style="list-style-type: none"> (i) notify us as soon as possible giving full particulars of the facts and circumstances, including loss, damage, injuries, illness, or notice of a claim against you, and details of any proceedings instituted against you; (ii) take all reasonable precautions to prevent or minimise further loss, damage, or liability; (iii) take all reasonable steps to recover any lost or stolen Property; (iv) immediately notify the police in the event of a burglary or if any Property is stolen, lost, or maliciously damaged; (v) supply us with details of any other insurances which insure or may insure the event; (vi) provide all reasonable information and assistance as we may require; and (vii) use your best endeavours to preserve any damaged or defective property or other property which might provide evidence in connection with any claim; (b) you must not: <ul style="list-style-type: none"> (i) admit liability for any event, loss, damage, or injury or settle or attempt to settle or defend any claim without our written consent; or (ii) alter or repair any building, appliance, plant, or thing until we have had the opportunity of an inspection, unless such alteration or repair is necessary for safety reasons; (c) you are not entitled to abandon any Property to us; (d) we will have full discretion in the conduct of any negotiations and the settlement of any claims; (e) after payment for or replacement of any Property (other than a Building) lost or damaged, the Property so lost or damaged becomes ours subject to your right to reclaim it on repayment to us of the amount paid by us in respect of such Property; and (f) more specific claims procedures are noted under Specific Conditions in: <ul style="list-style-type: none"> (i) Broadform Liability in Section 4.6; (ii) Machinery in Section 5.6.
(2) Alteration of Risk	<ul style="list-style-type: none"> (a) You must immediately notify us in writing of any changes you know of which materially alter any of the facts or circumstances that existed at the commencement of this policy. (b) Until: <ul style="list-style-type: none"> (i) we agree in writing to the terms of insurance of the altered risk; and (ii) you pay any additional Premium requested by us; we will not be liable for any loss, destruction, or damage caused by or attributable to such alteration.

SECTION 7 – GENERAL CONDITIONS (continued)

General Conditions Refer also to the Specific Conditions in each Section	
(3) Reasonable Care	<p>You must at all times take reasonable care:</p> <ul style="list-style-type: none"> (a) for the safety of the Property; (b) to ensure that only competent employees are employed; (c) to maintain the Premises, structures, fittings, fixtures, furnishings, appliances, machinery, implements, plant, and Property in sound condition; (d) to prevent personal injury or damage to property; (e) to comply with all statutory obligations, bylaws, and regulations imposed by any public authority; and (f) to prevent personal injury or damage to property due to manufacture, sale, or supply of defective goods.
(4) Joint Insureds	<p>Where you comprise more than one party:</p> <ul style="list-style-type: none"> (a) the Proposal is deemed to have been furnished by and on behalf of all parties, and any information supplied to us, or any omission or non-disclosure in relation to any renewal or extension is likewise deemed to have been furnished, omitted, or withheld (as the case may be) on behalf of all parties; and (b) if one or more of you (or persons acting on behalf of, or with the knowledge or connivance of, one or more of you) should engage in a deliberate act which results in loss, destruction, or damage to the Property, we will not pay any claims at all arising out of such loss, destruction, or damage, whether those claims are brought by the party or parties which engage in the deliberate act or by anyone else.
(5) Unoccupancy	<p>Cover under this policy will be entirely suspended where the Premises are not occupied for a period in excess of 30 consecutive days unless our written consent has been obtained before the Premises are left so unoccupied.</p>
(6) Contractual Agreements	<ul style="list-style-type: none"> (a) We will not pay, or our liability may be reduced, if you enter or have entered (even before you entered into this contract of insurance) into an agreement, release, or undertaking which limits or excludes your rights of recovery against, or contribution from, a person or organisation. (b) We will reduce our liability by the same amount that the agreement, release, or undertaking has prevented you from recovering from that person or organisation.
(7) Named Insureds	<p>We do not insure any person who, or organisation that, is not named in the Certificate of Insurance or referred to in the policy document.</p>
(8) Subrogation	<ul style="list-style-type: none"> (a) We are entitled to use your name in any proceedings to enforce for our benefit any rights, remedies, or orders in respect of any claim for: <ul style="list-style-type: none"> (i) injury; (ii) damage to the Property; or (iii) costs or otherwise; and subject to the provisions of any statute which may apply, we have the right of subrogation in respect of all rights which you may have against any person, company, or other body who may be legally liable to you or otherwise in respect of any such claim. (b) Any claimant under this policy must, at our request and expense, give information and assistance as may reasonably be required for enforcing any rights, remedies, obtaining relief, or indemnity from other parties to which we may be entitled or subrogated upon payment of any claims under this policy.

SECTION 7 – GENERAL CONDITIONS (continued)

General Conditions Refer also to the Specific Conditions in each Section	
(9) Cancellation	<p>(a) This policy may be cancelled by:</p> <p>(i) you at any time notifying us in writing, in which case:</p> <p>(A) cancellation takes place when we receive the notice;</p> <p>(B) we will retain or be entitled to Premium for the period during which the policy has been in force based on our normal short period rates; or</p> <p>(ii) us on any grounds set out in the Insurance Contracts Act 1984, by giving you notice in writing, in which case:</p> <p>(A) cancellation takes place at the time you enter into another contract of insurance intended to replace this policy, or at 4.00pm on the 3rd day after delivery of the notice to you, whichever is earlier; and</p> <p>(B) we will refund the Premium paid for the unexpired Period of Insurance.</p> <p>(b) You must supply us with such particulars as we may require for the adjustment of the Premium following any cancellation.</p>
(10) Paying by Instalments	<p>(a) If you are paying us by instalments for your insurance, and one instalment of Premium remains unpaid for 14 days, we may refuse to pay a claim altogether.</p> <p>(b) If one instalment of the Premium is unpaid for one month, we may give you written notice of cancellation and then cancel the policy.</p> <p>(c) If a claim requires the Sum Insured or Limit of Liability to be paid in total under any Section, then the balance of the Premium relating to that Section for the full Period of Insurance will be deducted from the amount of the claim settlement.</p>
(11) Premium Adjustment	<p>You must furnish all information we may require for the adjustments of the Premium in accordance with the provisions of each Section.</p>
(12) Consequences of Non-Disclosure	<p>If you do not comply with your Duty of Disclosure, we may be entitled to:</p> <p>(a) reduce our liability for any claim;</p> <p>(b) cancel the contract; or</p> <p>(c) avoid the contract from its beginning, if your non-disclosure was fraudulent.</p>
(13) Excess	<p>(a) We will deduct from the amount to be paid to you the amount of Excess shown in the Certificate of Insurance or in this policy.</p> <p>(b) Additional Excess is in addition to any Basic Excess.</p>
(14) Conditions, Exclusions and Definitions	<p>Where a Specific Condition, Exclusion, or Definition is in conflict with a General Condition, Exclusion, or Definition, the Specific Condition, Exclusion, or Definition will apply.</p>
(15) Other Insurance	<p>You must advise us in writing of any insurance already effected or which may subsequently be effected covering, whether in total or in part and whether absolutely or contingently, the insurance provided under this policy.</p>
(16) Disputes	<p>All disputes arising out of or under this policy will be subject to determination by any Court of competent jurisdiction in the Commonwealth of Australia.</p>
(17) Governing Legislation	<p>This policy is governed by the Insurance Contracts Act, 1984. This policy and any person's rights pursuant to this policy will be read subject to this Act as it applies at the time of any claim or exercise of any right pursuant to this policy.</p>

SECTION 7 – GENERAL CONDITIONS (continued)

General Conditions

Refer also to the Specific Conditions in each Section

(18) Goods and Services Tax

Where payment is made under this policy for the acquisition of goods, services or other things, **we will** reduce the amount of the payment by the amount of any input tax credit that you are, or will be, entitled to under A New Tax System (Goods and Services Tax) Act 1999 in relation to that acquisition.

Where payment is made under this policy as compensation instead of payment for the acquisition of goods, services or other things, **we will** reduce the amount of the payment by the amount of any input tax credit that you would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 had the payment been applied to acquire such goods, services or other things.

The Sum Insured or any amounts indicated in this policy are inclusive of Goods and Services Tax (GST).

THE GENERAL INSURANCE CODE OF PRACTICE

The purpose of the Code is to raise the standards of practice and service in the general insurance industry.

The objective of the Code are:

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

OUR COMMITMENT TO YOU

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

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

HOW TO RESOLVE A COMPLAINT OR DISPUTE

1. Talk to us first

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

If the staff member or claims officer are unable to resolve the matter for you, you may speak to a manager. The manager will usually provide you with a response to your complaint within 15 days. If the timeframe is impractical for any reason such as the need for more information or further investigation, they will discuss with you alternative timeframes.

If you are not satisfied with our response or we cannot agree with you on alternative timeframes, you can go to step 2.

2. Seek a review

If the matter is still not resolved the manager will refer you to the relevant dispute handling department or area who will conduct a review of your dispute and will usually provide you with a response to your dispute within 15 business days.

If the timeframe is impractical, we will discuss with you alternative timeframes.

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

3. Seek an external review

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

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

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

OUR SERVICE COMMITMENT TO YOU

We are proud of our service standards and support the General Insurance Code of Practice. In an unlikely event that you are not satisfied with the way in which we have dealt with you, as part of our commitment to customer service, we have an internal dispute resolution process in place to deal with any complaint you may have.

Please contact your nearest office if you have a complaint, including if you are not satisfied with any of the following:

- one of our products;
- our service;
- the service of our authorised representatives, loss adjusters or investigators; or
- our decision on your claim.

Our staff will help you in any way they can. If they are unable to satisfy your concerns, they will refer the matter to their supervisor or manager. If the manager cannot resolve the matter, the manager will escalate the matter to our Internal Dispute Resolution Department.

Brochures outlining our internal dispute resolution process are available from your nearest office or on our website.

GENERAL INSURANCE CODE OF PRACTICE (continued)

FINANCIAL OMBUDSMAN SERVICE LIMITED

Financial Ombudsman Service Limited is an external company which handles unresolved disputes between insurers and customers that are within the Financial Ombudsman Service Limited Terms of Reference.

If you have a dispute that has been reviewed by our Internal Dispute Resolution Panel, but remain dissatisfied, we will supply information on how to approach the Financial Ombudsman Service. This is a free service to you. We are bound by the final decision of the Financial Ombudsman Service.

FRAUD HOTLINE

A significant number of insurance claims are fraudulent. Not only does this lead to increased premiums for customers, but thousands of dollars are spent each year investigating fraudulent claims.

Help stop insurance fraud by calling our hotline

1800 A FRAUD – 1800 237 283

If you choose to give your name, it will be held in strictest confidence.

Contact

Enquiries, applications, alterations **132 818**

Claims **132 818**

Helpline **132 900**

Report insurance fraud **1800 237 283**

nrma.com.au/business



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