ACERTA

Commercial Property Owners Policy Wording

Underwritten by Guild Insurance

About Acerta

Acerta is the name of Guild Insurance Limited’s intermediary division. Acerta partners with insurance intermediaries by complementing our products with an experienced team committed to providing prompt personalised service that delivers certainty to our customers.

Contents

Summary of Available Covers

The following table provides You with a summary of the Covers available under this Policy.

There are additional automatic or optional Cover benefits within nearly all Sections. You should refer to the relevant Section for details of those additional Cover benefits.

You should read the relevant Section for a full description of the Section Cover together with any relevant limits, specific exclusions and conditions that apply in addition to the general conditions and exclusions contained in this policy-booklet.

Section	Cover Summary	Additional Benefits
Business Property	This Section Covers Damage to Your Buildings, Business Contents and Specified Items from any cause not specifically excluded. **There is no Cover** provided under this Section for Loss arising from Flood (as defined) unless You have selected Flood Cover, and We have agreed to Cover You under optional additional benefit 'Flood Cover' and that optional additional benefit is stated in the Schedule. A specific Excess may apply to Loss or Damage arising from Flood, Storm, Water Damage or cyclone.	**Additional Benefits — Reinstatement Cover** > Alternative Premises > Boilers or Other Pressure Vessels > Capital Additions > Catastrophe Loss Cover > Claims Preparation Costs > Clearing Pipes and Drains > Discharge of Mortgage Fees or Lease Fees > Exploratory Costs > Fences, Gates and Retaining Walls > Government Fees – Buildings > Home Office Contents > Landscaping > Loss of Land Value – Buildings > New Business Premises > On-Hire – Business Contents > Open Air – Business Contents > Personal Effects > Prevention of Damage Costs > Reinstatement of Cover > Removal of Debris and Temporary Repairs > Rewriting of Business Documents > Temporary Protection and Security **Optional Additional Benefits — Reinstatement Cover** > Flood Cover > Removal of Debris > Strata Title Mortgagee's Interest **Additional Benefits — Indemnity Cover** > Loss of Land Value – Buildings > Reinstatement of Cover

Summary of Available Covers (continued)

Section	Cover Summary	Additional Benefits
Business Interruption	**Part A - Loss of Rent** Part A of this Section Covers You for Loss of Rent following an interruption to Your Business resulting from an insured Loss which is Covered under Sections: > Section – Business Property; > Section – Theft; > Section – Money; > Section – Glass; > Section – General Property; or > Section – Machinery and Electronic Equipment Breakdown; of this Policy. You are also Covered for Claims Preparation Costs. **There is no Cover** provided under this Section for Loss arising from Flood, unless You have selected optional additional benefit 'Flood Cover' under Section – Business Property, and we have agreed to Cover You, and 'Flood Cover' is stated in the Schedule. **Part B - Rent Default** Part B of this Section Covers You for Loss of Rent from a Tenant following a breach of a Lease Agreement, and other circumstances Covered under Your Rent Default Cover.	**Additional Benefits - Part A** > Accounts Receivable > Business Documents > Loss of Incidental Income > Prevention of Access > Public Utilities > Reinstatement of Cover **Additional Benefits - Part B** > Legal Expenses
Theft	This Section Covers Theft of Business Contents and Specified Items caused by forcible and violent entry to the Buildings at the Business Premises.	**Additional Benefits - Reinstatement Cover** > Alternative Premises > Claims Preparation Costs > Damage to Business Property > Death Following Assault > Equipment on Hire > Home Office Contents > New Business Premises > Personal Effects > Reinstatement of Cover > Replacement of Locks, Keys and Combinations > Restoration of Security System > Rewriting of Business Documents > Temporary Protection and Security

Summary of Available Covers (continued)

Section	Cover Summary	Additional Benefits
		> Theft without Forcible Entry
Money	This Section Covers Loss of Money at or away from the Business Premises including in Your Private Residence.	> Bank and Public Holiday Cover > Claims Preparation Costs > Counterfeit Currency > Damage to Safes or Strongrooms > Death Following Assault > Money in Custody > New Business Premises > Personal Money Belonging to You or Your Employees > Reinstatement of Cover > Replacement of Locks, Keys and Combinations > Temporary Protection and Security
Employee Dishonesty	This Section Covers Loss of Money or Business Property arising from fraud or dishonesty by Your Employees.	> Claims Preparation Costs > Cost of Recovery > Reinstatement of Cover > Welfare, Social or Sporting Clubs or Superannuation or Pension Schemes
Machinery and Electronic Equipment Breakdown	This Section Covers the cost to repair or replace Machinery and Electronic Equipment necessitated by Breakdown.	> Additional Items > Claims Preparation Costs > Inflation Protection > Professional Fees
Glass	This Section Covers Breakage of Glass at the Business Premises, including Internal and External Glass and Signs.	> Claims Preparation Costs > Damage to Business Contents
General Property	This Section Covers Damage to Business Contents and Specified Items in Transit and elsewhere in Australia.	> Claims Preparation Costs
Tax Audit	This Section Covers You for Professional Fees associated with an Audit of Your Business by the Australian Taxation Office or any Australian State or Territory statutory taxation authority or agency.	

Summary of Available Covers (continued)

Section	Cover Summary	Additional Benefits
Public and Products Liability	**Public Liability:** This Section Covers You for amounts You are legally liable to pay as compensation to third parties for unexpected or unintended Bodily Injury, Property Damage or Advertising Liability as a result of an event happening in connection with Your Business. **Products Liability:** This Section Covers You for amounts You are legally liable to pay as compensation to third parties for unexpected or unintended Bodily Injury, Property Damage or Advertising Liability as a result of an event happening in connection with Your Products.	> Care, Custody or Control > Claims Preparation Costs > Conferences, Training, Teaching > Cross Liabilities > Good Samaritan Acts > Joint Venture Liability > Vicarious Liability for Agents and Tenants
Workplace Health and Safety Law Breaches Legal Costs	This Section Covers You for legal fees, costs and expenses You incur for legal appeal proceedings in respect of fines, prohibition notices or determinations under workplace health and safety legislation that arise out of an Occurrence in connection with Your Business.	

Introduction

Applying for Cover with Us

You have provided Us or your intermediary with information in support of Your request for Cover with Us. The information that You have provided to Us is referred to as Your Application.

You must ensure the information provided to Us in Your Application is accurate and that You have complied with Your **duty of disclosure**. We have relied on Your Application to decide whether to issue this Policy and the terms and conditions We have offered to You.

When You have paid the Premium, or agreed to pay the Premium, We will issue You with a Schedule. If payment of the Premium as stated in the Schedule is not made then there is no Cover under this Policy.

Your Policy

Your Policy consists of:

> the Policy wording;

> a Schedule; and

> other documentation indicating a change to Your Policy, including Endorsements.

This forms the legal contract of insurance between You and Us.

This policy-booklet consists of:

> important information that You need to know before You take out a Policy with Us. This important information applies either to all Sections or to certain Sections of this Policy; and

> the Policy wording, which forms part of Your legal contract with Us and tells You:

  > what Your Policy Covers;

  > what Your Policy does not Cover;

  > Excesses that apply to claims under this Policy; and

  > conditions that relate to Your Cover and to claims You may make under this Policy.

When We change Your Policy details during the Period of Cover We will send Your Insurance Intermediary a new Schedule. This Schedule will be titled ‘Endorsement’ and will contain details of the Endorsement to Your Policy.

We will also provide Your insurance intermediary with a new Schedule at each renewal of Your Policy Cover.

We will only provide insurance Cover for the Period of Cover stated in the Schedule.

Please read this policy-booklet together with the Schedule and any accompanying documents carefully and keep them in a safe place for future reference.

Our Commitment to You

We value Our customers and work hard to build strong and lasting relationships.

When dealing with You We will act reasonably, respectfully and fairly towards You, taking into account Your and Our respective interests.

We will do this by:

> managing this Policy and any claim You may make courteously, promptly and efficiently;

> respecting Your entitlement to the full benefit of the Cover provided by this Policy;

> giving reasonable consideration to any request You make;

> applying sound judgement before exercising any right, discretion or remedy in respect of this Policy Cover; and

> ensuring any conditions We impose are reasonable in the circumstances.

What Happens if You Disagree with One of Our Decisions or Have a Complaint about Our Service?

Despite Our best intentions, sometimes We can get it wrong.

If You want to question one of Our decisions, or if You have a complaint about how We have handled this Policy or Your claim, We want You to tell Us.

Please do not hesitate to contact Us if there is any matter You feel has not been satisfactorily resolved.

Complaints and Disputes Resolution

When a complaint or dispute arises Our objective is to resolve any disagreement as amicably and quickly as practicable.

If You would like to make a complaint please contact Your insurance intermediary or call Us during office hours and speak to one of Our staff who will assist You.

If We and You cannot resolve Your complaint to Your satisfaction We have a formal complaints and dispute resolution process that is fair, efficient and accessible to all Our customers.

You may request that the matter be referred to Our internal dispute resolution process. This service is free of cost to You.

If Our internal dispute resolution facility is unable to resolve Your dispute and You wish to take the matter further We will advise You of any other options. This might include You seeking independent legal advice at Your own expense.

Cooling-off Period

If this Policy does not meet Your needs then You may cancel it within twenty-one (21) days of the commencement of Cover

Introduction (continued)

by notifying Us. You will receive a refund of the Premium You have paid unless You have made or are entitled to make a claim under this Policy.

You still have cancellation rights after this cooling-off period ends. These rights are set out in the General Conditions of this Policy.

General Insurance Code of Practice

We are a signatory to and fully support the General Insurance Code of Practice (the Code).

The objectives of the Code are:

> to commit Us to high standards of service;

> to promote better, more informed relations between Us and You;

> to maintain and promote trust and confidence in the general insurance industry;

> to provide fair and effective mechanisms for resolving complaints You make about Us; and

> to promote continuous improvement of the general insurance industry through education and training.

The Code Governance Committee is an independent body that monitors and enforces insurers' compliance with the Code.

Please contact Us if You would like further information about the Code of Practice. Alternatively, You can view and find more information about the Code and the Code Governance Committee at **codeofpractice.com.au**

Privacy

We are committed to complying with privacy laws and protecting Your personal information. By entering into a contract with Us, You agree to:

> the collection, use and disclosure of Your personal information to evaluate, effect, manage and administer Your insurance Cover, financial service or product provided to You by Us, any related company, or in conjunction with Us. This applies to personal information provided previously, currently and in the future;

> the collection, use and disclosure of Your personal information to inform You of other products and services offered by Us, Our related entities or Your representative;

> the use and disclosure of Your personal information to test and improve upon the systems used to manage Your Policy or financial product;

> the collection from, and/or disclosure of, Your personal information to a third party which may include Your employer and Our service providers (including but not limited to Your insurance intermediary, other insurers, medical practitioners, lawyers, claims consultants, loss assessors and investigators), where this is relevant for the administration of Your insurance Policy or a claim under this Policy;

> the disclosure of Your personal information to overseas recipients where relevant, such as offshoring operational and administrative functions to the Philippines under locally incorporated subsidiary Guild Solutions Inc (GSI), some of Our global reinsurers and Fiji for debt recovery administrative services; and

> the disclosure of Your personal information to a person, regulatory bodies or other entities if We are required or permitted to do so by law.

If You do not provide the requested personal information We may not be able to evaluate, effect, manage or administer Your Policy and You may also be in breach of Your duty of disclosure.

We will ensure that Your personal information is accurate, up-to-date and complete. You or Your insurance intermediary may access personal information We hold about You by contacting Us.

If You or Your insurance intermediary would like to make a complaint about how We have handled Your personal information please contact Us and speak to one of Our staff who will assist You.

Our privacy policy contains further information on access, correction and complaints handling procedures and can be accessed online at **acerta.com.au/privacy-policy.**

Alternatively, please contact Us and We will arrange for a copy of the privacy policy to be provided to You.

Flood Cover

Section – Business Property

This Section **does not Cover** Loss or Damage to any Business Property or goods or other property caused by or as a result of Flood.

Flood Cover may be available under optional additional benefit 'Flood Cover'.

If You have chosen, and We have agreed to Cover You for Flood, Your Flood Sums Insured will be stated on Your Schedule.

Section – Business Interruption

This Section **does not Cover** Loss caused by or as a result of Flood, unless You have selected optional additional benefit 'Flood Cover' under Section - Business Property.

When Flood is Covered under this Section Your Schedule will show Flood Cover as included.

Introduction (continued)

Excess - Flood Cover

A specific excess may apply to Loss or Damage caused by or as a result of Flood. The amount of any applicable Excess is stated in the Schedule.

Important Information

The following important information applies to all Sections of this Policy. Please read it carefully and if You are in any doubt as to how this information may affect You please contact Your insurance intermediary or Us and ask for an explanation.

Alteration of Risk

This Policy Covers the Business as You have represented it to Us.

It is important for You to advise Us as soon as reasonably practicable of any material changes to the risk during the Period of Cover, including but not limited to any change to:

- Your Business name;
- the nature of Your Business activities;
- the construction of or alteration to Your Business Premises;
- Your address or the Location of Risk from where You conduct the Business;
- You or Your Business' products or services not previously disclosed to Us;
- You or Your Business' financial status due to being placed into bankruptcy, receivership, liquidation or administration or becoming insolvent or wound-up; or
- any other change to Your Business which You could reasonably be expected to know would increase the risk Covered under any Section of this Policy.

You should also advise Us if Your Business is sold or otherwise permanently discontinued.

When You advise Us of a change, We will assess whether and to what extent the change gives rise to an alteration to the risk in accordance with Our underwriting rules and processes.

If Our assessment is that change alters the risk Covered under this Policy We may:

- propose variations to the terms of this Policy; and/or
- ask You to pay an additional Premium for changes that increase Your risk, or refund Premium to You for changes that reduce Your risk; and
- if You agree, issue You with a revised Schedule.

If We do not agree to the change, or You do not accept any proposed variation to the terms of or premium payable under this Policy, We may cancel Your Policy to the extent permitted by the Insurance Contracts Act 1984 (Cth).

If You do not advise Us about a change in the Business or of other changes in the risk Covered under any Section of this Policy We may refuse to pay all or part of Your claim under this Policy to the extent permitted by the Insurance Contracts Act 1984 (Cth).

Commencement of Cover

The Cover provided under this Policy does not commence until We have accepted Your Application or We have otherwise confirmed We have accepted Your insurance.

Further, no Cover is provided for Loss or Damage caused by:

- a bushfire or grassfire;
- a Flood; or
- a named cyclone or a tornado:

commencing or happening within a period of 168 hours (7 days) from the time of commencement of Your Cover with Us unless You took out Your insurance with Us:

- immediately after another insurance policy covering the same Business Property expired without an interruption in the period of insurance between that other insurer and Us;
- immediately after the risk legally passed to You as purchaser of Your Business Property; or
- immediately after You signed a lease or similar contract for Your Business Premises.

Cover for Rent Default in Section – Business Interruption will not commence if any Rent is in arrears at the commencement of the Period of Cover. This Cover will not commence until all Rent arrears have been paid and the Tenant has commenced paying the agreed Rent in accordance with the Lease Agreement.

Your Duty of Disclosure

Before You enter into an insurance contract, You have a duty to tell Us anything that You know, or could reasonably be expected to know, may affect Our decision to insure You and on what terms.

You have this duty until We agree to insure You.

You have the same duty before You renew, extend, vary or reinstate an insurance contract.

You do not need to tell Us anything that:

- reduces the risk We insure You for; or
- is common knowledge; or
- We know or should know as an insurer; or
- We waive Your duty to tell Us about.

Important Information (continued)

If You Do Not Tell Us Something

If You do not tell Us anything You are required to, We may cancel Your contract or reduce the amount We will pay You if You make a claim, or both.

If Your failure to tell Us is fraudulent, We may refuse to pay a claim and treat the contract as if it never existed.

Excess

An Excess may apply to Your claim under this Policy. The amount of any Excess is stated in the Schedule.

GST – Goods and Services Tax

This Policy has a GST provision in relation to Premiums and to payments We may make in respect of claims under this Policy. It may have an impact on how You determine the amount of insurance You need.

It is Your responsibility to ensure that Your Cover is adequate in light of the impact of GST on You.

Please contact Us or seek professional advice if You have any queries about GST and Your insurance.

GST and Your Sums Insured

If You are registered for GST the Sum Insured that You choose should **exclude** Goods and Services Tax (GST).

GST and Claim Payments to You

In the event of a claim under this Policy:

> if You **are not** registered for GST We will reimburse You the GST component in addition to any other amount We pay You; or

> if You **are** registered for GST You will need to claim the GST component from the Australian Taxation Office. Where You cannot claim the GST component in full We will reimburse You the unclaimed GST component in addition to the amount We pay You.

This Policy contains claims conditions in respect of:

> GST and claim payments for acquisition of goods and services and other supply;

> GST and claim payments for compensation;

> GST and claim payments for legal and other costs; and

> Our limitation for GST payment.

You should read the claims conditions contained in this policy-booklet to make sure You understand both Our and Your obligations in respect of how GST will be treated in respect of the payment of claims under this Policy.

Interests of Other Parties

This Policy will only Cover the insurable interest of the person or entity stated in the Schedule unless otherwise specifically Covered under any Section of this Policy.

Limitations of Cover

Claims Made and Notified Cover

Section:

> Tax Audit;

operates on a 'claims made' basis of Cover.

A 'claims made' basis of Cover means that We only Cover claims first made against You during the Period of Cover.

You must advise Us during the Period of Cover of any claim first made against You by another party. If You do not notify Us during the Period of Cover You may not be Covered under this Policy.

You should refer to the above Sections of this policy-booklet for the full description of the 'claims made' Cover provided under these Sections.

These Sections **do not** provide Cover in relation to:

> acts, errors, omissions or conduct occurring or committed by You prior to the Retroactive Date of the Policy Section Cover as stated in the Schedule (if such a date is actually specified in the Schedule);

> a claim made after the expiry of the Period of Cover even though the act, error, omission or conduct giving rise to the Claim may have occurred during the Period of Cover;

> claims made, threatened or intimated against You prior to the commencement of the Period of Cover;

> facts or circumstances of which You first became aware prior to the Period of Cover and which You knew or ought reasonably to have known had the potential to give rise to a claim or other claim Covered under this Policy; or

> any claim, fact or circumstance that may give rise to a Claim or Inquiry disclosed or reported to Us or any other insurer under any insurance policy prior to the Period of Cover.

The effect of a 'claims made' Cover is that You are not Covered for claims made against You after the expiry of the Period of Cover.

If You have notified Us before the expiry of the Period of Cover of any facts or circumstances that might give rise to a claim against You, You may have rights to be indemnified in respect of any claim subsequently made against You arising from those facts. These rights arise under Section 40(3) of the Insurance Contracts Act 1984 (Cth).

Important Information (continued)

Occurrence Based Cover

Sections:

- Business Property;
- Business Interruption;
- Theft;
- Money;
- Employee Dishonesty;
- Machinery and Electronic Equipment Breakdown;
- Glass;
- General Property;
- Public and Products Liability; and
- Workplace Health and Safety Law Breaches Legal Costs;

operate on an 'occurrence' basis.

An 'occurrence' basis of Cover means that We will Cover You for Damage, Losses or Bodily Injury happening during the Period of Cover.

For Section - Employee Dishonesty, Cover is provided for Losses first discovered during the Period of Cover, provided that the act or conduct that resulted in the Loss occurred no more than twelve (12) months before the Loss was discovered.

Premiums

Your Premium will be subject to the inclusion of:

- a Premium for terrorism cover which is required under the Terrorism and Cyclone Insurance Act 2003 (Cth) to be applied to insurance covers for business property, business interruption, theft, money, general property and glass;
- GST in accordance with relevant taxation legislation;
- stamp duty as imposed by the relevant legislation of each Australian State or Territory; and
- fire or emergency services levy in accordance with any relevant State or Territory legislation.

Sums Insured and Limits of Liability

Cover under all Sections of this Policy is limited to the Sums Insured or Limits of Liability stated in the Schedule unless otherwise provided under any Section of this Policy. The Sums Insured or Limits of Liability stated under any Section of this Policy represent the full extent of Our maximum liability to You in relation to all claims under that Section.

Additional Benefits - Not Cumulative

Where Cover for the same additional benefit is provided under multiple sections of this Policy, Our maximum liability for any claim arising from the one event or cause may be limited to the highest single monetary limit for this additional benefit under the relevant Sections.

Business Property or Loss of Rent

The Sums Insured You nominate under Section – Business Property and Section – Business Interruption must accurately reflect the full Replacement Cost of the Business Property or the total of Your Rent insured.

Terrorism

This Policy does not Cover claims as a result of Terrorism.

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

A more detailed explanation of the operation of the Terrorism and Cyclone Insurance Act 2003 (Cth) can be obtained at **arpc.gov.au.**

Waiver of Rights and Our Right to Recovery

Waiver of Rights

We have not waived any provision of this Policy unless we have confirmed the waiver in writing.

If We do waive Our rights to subrogation that waiver will be stated in any relevant Section of this Policy. You should refer to the Policy wording for those Sections where a waiver applies.

Preventing Our Right to Recovery

If You have agreed not to seek compensation from another person or entity who is liable to compensate You for any Loss, Damage or liability which is Covered under this Policy **We may not Cover** You under this Policy for that Loss, Damage or liability.

Important Information - Applicable to Sections

The following important information applies to all Sections of this Policy. Please read it carefully and if You are in any doubt as to how this information may affect You please contact Your insurance intermediary or Us and ask for an explanation.

Section – Business Property

Under-insurance

Reinstatement Cover

When You have insured Your Business Property for Reinstatement Cover Your Cover is subject to an under-insurance clause.

This clause means that if You do not insure for the full Replacement Cost of Your Buildings or Business Contents You may not receive full compensation in the event of a claim under this Section of this Policy.

If Your Sums Insured for Your Buildings or Business Contents is/are less than eighty per cent (80%) of their actual Replacement Cost at the time of any Loss or Damage You may be required to bear a proportion of the claim under this Section.

Example: Under-insurance on Buildings

Actual Replacement Cost	$200,000
80% of actual Replacement Cost	$160,000
Sum Insured	$144,000 (which represents 72% of the actual Replacement Cost)

Therefore, if a $100,000 loss occurs We would pay You $90,000 (less any Policy Excess) calculated as follows:

($144,000/$160,000) x $100,000 = $90,000

Indemnity Cover

Where You have insured Your Business Property for Indemnity Cover Your Cover is subject to a similar under-insurance clause to the one shown above but where the calculation is based on the Indemnity Value of the Business Property at the time of the Loss or Damage.

Section – Business Interruption

Rent Default Cover

We will not pay for the number of weeks stated in the Schedule as either:

> Rent Default Excess; or

> Rent Default Voluntary Excess;

in respect of those weeks being the first number of weeks for each Occurrence of Rent Default.

Under-insurance

An under-insurance clause applies to Your Loss of Rent and Rent Default Covers under this Section.

If You do not insure for the actual values in Your Loss of Rent or Rent Default Covers You may not receive full compensation in the event of a claim under this Section.

Loss of Rent

If the Sums Insured under this Section is/are less than eighty per cent (80%) of the actual values of Your Rent at the time of any Loss or Damage You may be required to bear a proportion of the claim under this Section.

Example: Under-insurance on Loss of Rent

Actual Weekly Rent	$10,000
80% of actual Weekly Rent	$8,000
Sum Insured	$5,000 (which represents 50% of the actual Weekly Rent)

Therefore, if a twenty-six (26) week loss occurs totaling $260,000 We would pay You $162,500 (less any applicable Excess)

($5,000/$8,000) x $260,000 = $162,500.

Rent Default

The calculation of the amount of under-insurance is similar to the example used for Loss of Rent above but where one hundred per cent (100%) of the Weekly Rent is used in the calculation.

Where the Weekly Rent Default Limit stated in the Schedule for the Location of Risk is less than the Weekly Rent under the Rental Agreement We will only pay that portion of the claim which the Weekly Rent Default Limit stated in the Schedule bears to the Weekly Rent.

Example: Under-insurance on Rent Default

Actual Weekly Rent	$10,000
Sum Insured	$5,000 (which represents 50% of the actual Weekly Rent)

Therefore, if a twenty-six 26 week loss occurs totalling $260,000 We would pay You $130,000 (less any applicable Excess) calculated as follows:

($5,000/$10,000) x $260,000 = $130,000.

Important Information - Applicable to Sections (continued)

Section – Employee Dishonesty

Section – Employee Dishonesty only provides Cover in respect of acts of fraud or dishonesty discovered during the Period of Cover or within other specific periods of time as set out in this Section.

Your Policy

This policy-booklet together with the Schedule We provide to You and any addendum to the Schedule form Your insurance Policy with Us.

Our Agreement with You

We agree to provide You with the Cover set out in this Policy. The Cover You have selected is stated in the Schedule and is in force for the Period of Cover stated in the Schedule.

You have paid or agreed to pay Us the Premium stated in the Schedule for the Period of Cover.

Policy Construction and Interpretation

Exclusions, General Conditions, Claims Conditions and Definitions

This Policy has:

- exclusions;
- general conditions;
- claims conditions; and
- definitions;

that apply to the Cover We will provide You.

Grammatical Forms

Some of the defined words or terms in this Policy have different grammatical forms. If the meaning given to them in their definition refers to one of their grammatical forms, any of their other grammatical forms will have a corresponding meaning.

Headings

The headings in this policy-booklet are only for reference and must not be used when interpreting this Policy. This does not apply to any definition where the heading is being used to state the defined term that is then followed immediately by the description of its meaning.

References to Laws and Legislation

Any reference in this Policy to any law or legislation includes any of its subordinate legislation, subsequent amendment, replacement, re-enactment or successor legislation.

Singular and Plural Words

Any reference in this Policy to the singular form of a word includes the plural and vice versa.

Definitions

This Policy has words and terms with special meanings. Please read all definitions carefully.

Defined words or terms are shown with a capital letter at the start of each word. There are two (2) types of definitions:

- There are **definitions set out below that always apply** whenever the words or terms are used in this Policy.
- There are **other definitions applicable to a particular Section of this Policy**. These are set out in the particular Section. These definitions apply whenever the words or terms are used in this Policy for the purposes of determining the Cover that is available under the particular Section.

Aircraft

means any craft or object designed or intended to move through air, space or atmosphere other than model aircraft.

Application

means the information provided by You or on Your behalf and submitted to Us when applying for this Policy and that We have relied on when agreeing to issue this Policy.

Australia, Australian

means the States and Territories of Australia.

Basis of Settlement

means the method and/or manner in which We will settle Your claim under this Policy.

This will be in accordance with the Cover You have selected and as specified in the Schedule or as otherwise stated in the relevant Section of this Policy.

Bodily Injury

means:

a. bodily injury, death, sickness, disease, shock, fright, mental anguish, mental injury or loss of a spouse or partner's support, cooperation, aid and companionship resulting from any of them; or

b. the physical or mental effects of:

   - assault and battery not committed by or at the direction of You unless committed for the purpose of preventing or elimination of danger to persons or property;
   - false arrest, wrongful detention or imprisonment or malicious prosecution;
   - invasion of privacy;
   - libel, slander or defamation; or
   - wrongful entry or wrongful eviction to or from any premises.

In respect of the Cover provided under Section – Public and Products Liability:

Bodily Injury if relating to a latent illness, a latent disease or a latent disability will be deemed to have happened at the time when the illness, disease or disability was first medically diagnosed.

Section - Workplace Health and Safety Law Breaches Legal Costs has a specific definition of 'Bodily Injury'. You should refer to that Section for the particular definition that applies.

Building

means the building, outbuilding and structural improvements at the Location of Risk and includes:

a. all services to the Building;

b. external lights, masts, antennae, aerials, satellite dishes, lifts, elevators and escalators and signs other than Glass Signs that are or which could be Covered under Section - Glass;

c. fixtures and fittings owned by You as the owner of the building;

d. foundations, sealed car parks, driveways, pathways and aprons, permanently paved areas, shelters, exterior blinds, awnings, gangways, walls, gates and fences;

e. in-ground swimming pools, in-ground saunas and in-ground spas including fixed attachments or fixed accessories to any of those items; and

f. permanently fixed water, storage and fuel tanks:

but does not include:

i. Business Contents;

ii. Business Stock;

iii. land, unsealed aprons; unsealed car parks; unsealed driveways, unsealed paths, dams, bridges, canals, tunnels, wharves, docks and piers;

iv. plant and machinery;

v. railway tracks and roadways that are not at the Location of Risk; or

vi. Specified Items.

Definitions (continued)

Business

means Your ownership of the Business Property described in the Schedule.

Section - Public and Products Liability has a specific definition of 'Business'. You should refer to that Section for the particular definition that applies.

Business Contents

means the business contents situated at the Location of Risk or elsewhere as Covered under any Section of this Policy which are owned by You or held in trust by You or for which You are legally responsible or for which You have assumed a responsibility to insure, and includes:

a. Business Documents;

b. fixtures and fittings owned by You;

c. painting, works or art and curios;

d. plant and machinery including plant permanently fixed to a Building owned by You;

e. property of Your welfare, sporting and social clubs; and

f. property not owned by You but on Your Business Premises for safe keeping:

but does not include:

i. a Building;

ii. animals, livestock, fish, birds and/or any other living creature or organism;

iii. any locomotive or rolling stock;

iv. Business Stock;

v. Business Contents or Specified Items in the open air except as allowed for under additional benefit 'Open Air - Business Contents' under Section - Business Property;

other than Business Contents which are a permanent structure designed to function without the protection of walls or roof;

vi. growing crops, trees or plants (not including pot-plants) other than as allowed for under additional benefit 'Landscaping' under Section – Business Property;

vii. jewellery, furs, bullion, articles containing gold or silver, stamp or coin collections, paintings, works of art, curios, tapestries, Persian and/or similar rugs or carpets, precious metals, unset precious stones which are not Business Stock and which exceed $10,000 any one item, set or collection;

viii. land, dams, bridges, canals, roadways, tunnels, wharves,docks and piers;

ix. Money;

x. railway tracks and roadways which are not at the Location of Risk;

xi. Specified Items stated in the Schedule;

xii. Vehicles, trailers or caravans all while registered or licensed to travel on a public road, including any of their accessories, equipment or spare parts while contained in or on those Vehicles, trailers or caravans; or

xiii. Watercraft or Aircraft including any of their accessories, equipment or spare parts while contained in or on that Watercraft or Aircraft.

Business Documents

means written or printed:

- agreements;
- books;
- books of accounts;
- certificates;
- deeds;
- designs;
- documents of aesthetic, historic, scientific or social value for past, present or future generations;
- documents of title;
- drawings;
- Electronic Data;
- letters;
- manuscripts;
- maps;
- plans;
- records;
- wills; and
- other documents of any nature:

but does not include bearer bonds, book debts, coupons or Money.

'Business Documents' will include Business Documents owned by You or for which You are legally responsible or for which You have assumed a responsibility to insure.

Business Hours

means the normal trading hours of the Business or whilst You or any Employees are on the Business Premises for the purposes of conducting the Business.

Definitions (continued)

Business Premises

means the Buildings, yards and land used by You for Your Business at the Location of Risk.

Business Property

means the Buildings, Business Contents and Specified Items stated in the Schedule.

Business Stock

means:

a. stock in trade manufactured or in the course of manufacture including the value of work done;

b. raw materials used in manufacture and packing; and

c. pallets, containers, labels and packaging.

Computer

means:

a. any hardware, software, communications system, electrical or electronic device, including but not limited to:
   - smart phone;
   - laptop;
   - tablet;
   - wearable device;
   - server;
   - cloud;
   - microcontroller; or
   - any similar system:

b. any configuration of items described in a. above; or

c. any associated input, output, data storage device, networking equipment or back up facility.

Computer Virus

means an executable program 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 or other computer code or data causing undesired program or computer system operation including but not limited to a virus initiated or otherwise introduced by firmware, shareware, malware, spyware, ransom-ware, Trojan or similar computer program that can replicate itself from one computer to another and which typically may cause harm to computer systems.

Consequential Loss

means an indirect adverse impact (financial or non-financial) caused by Damage to Business Property or equipment, including but not limited to:

- complete or partial non-payment of any credit arrangement;
- delay or interruption of business;
- depreciation of any kind;
- expenses incurred in replacing data or redesigning software;
- expenses incurred in training, reviewing practices, procedures and protocols as a result of a claim;
- increased cost of working;
- interest or loss due to delay;
- loss of contract, earning capacity, goodwill, income, opportunity or profit;
- loss of use of any plant or facility; or
- reputational damage;

unless expressly provided for in the Policy.

Conveyance

means the:

- Aircraft;
- train;
- Vehicle;
- vessel; or
- Watercraft;

by which Business Property is being transported.

Cover, Covers, Covered

means the indemnity provided under this Policy.

Cyber Act

means any:

a. criminal or malicious act or conduct; or

b. unauthorised act or conduct:
   - intended to cause loss, damage, harm or liability; or
   - committed with reckless disregard for the consequences thereof;

directly or indirectly arising out of or in any way connected with:

i. access, use, misuse, corruption, disruption, distortion, theft, loss, damage, erasure, misappropriation, modification or disclosure of any Computer or Electronic Data, or threat thereof; or

ii. Malware; or

iii. Social Engineering Fraud.

Definitions (continued)

Cyber Event

means any:

a. Cyber Act; or

b. Cyber Incident.

Cyber Incident

means any:

a. accidental, non-malicious, unintentional or unexpected access, use, disruption, corruption, loss, damage or disclosure of; or

b. failure, malfunction, act, error or omission:

> by You; or

> by or of any Computer;

resulting in any:

i. error in processing, creating, amending, entering, deleting, using or accessing;

ii. inability or failure to receive, send or operate; or

iii. disruption, corruption, loss, damage or disclosure of;

any Computer or Electronic Data:

but does not include any Cyber Act.

Damage, Damaged

means accidental physical damage to or destruction of Business Property which occurs during the Period of Cover:

but does not include viral contamination.

Debris

means the residue of Damaged Business Property:

but does not include material that is itself a Pollutant and which is deposited beyond the boundaries of the Business Premises.

Defence Costs

for Section;

> Public and Products Liability:

means the necessary and reasonable legal costs and expenses incurred by Us or by You with Our prior written consent in the investigation, defence or settlement of a Claim Covered under that Section or in respect of the Cover provided under any of the additional benefits of that Section.

Any legal costs incurred by Us or by You in determining whether there is Cover provided to You under that Section will not form part of Defence Costs.

Electronic Data

means facts, concepts, code and any other information of any kind that is recorded, stored or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer.

Electronic Data Media

means the discs, tapes, cards or other materials for storing data used in the Computer.

Employee

means a natural person who has at any time entered into a contract of service or apprenticeship with You and/or for whom You are required by virtue of workers' compensation or similar legislation to effect workers' compensation insurance cover.

Section – Employee Dishonesty has a specific definition of 'Employee'. You should refer to that Section for the particular definition that applies.

Endorsement

means a written notification given to You by Us that details changes to Your Cover under this Policy.

Excess

for Sections other than:

> Public and Products Liability;

means the amount of money or a specific period of time You are required to contribute or bear for a claim which is Covered under this Policy.

The Excess will apply to:

a. each claim You make; or

b. any claim made against You;

that arises out of one circumstance or event.

The Excess is stated in the Schedule or elsewhere in this Policy for each applicable Section, part of a Section or additional benefit.

For Section:

> Public and Products Liability;

means the amount of money You must contribute or bear for each claim which is Covered under this Policy.

The Excess is stated in the Schedule or elsewhere in this Policy for the applicable Section, part of a Section or additional benefit.

Where the Excess is stated as being 'costs exclusive' We will not apply the Excess to Your own Defence Costs but You

Definitions (continued)

will be required to pay the Excess amount in respect of any payment of compensation and/or the claimant's own legal costs and expenses.

Where the Excess is stated as being 'costs inclusive' You will be required to pay the Excess amount in respect of any payment of compensation, the claimant's legal costs and expenses and Your own Defence Costs.

Family

means any member of Your family who permanently or normally resides with You including Your legal or de facto partner.

Flood

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

> a lake (whether or not it has been altered or modified);

> a river (whether or not it has been altered or modified);

> a creek (whether or not it has been altered or modified);

> another natural watercourse (whether or not it has been altered or modified);

> a reservoir;

> a canal; or

> a dam.

Glass

means External Glass, Internal Glass and Signs as defined in Section – Glass:

but does not include Business Stock.

GST and GST Act

means goods and services tax as defined within the A New Tax System (Goods and Services Tax) Act 1999 (Cth) (GST Act).

Input Tax Credit has the same meaning as it has in the GST Act.

Hovercraft

means any vessel, craft or device that uses a cushion of air provided by a downward thrust to travel over water and land.

Indemnity Value

means the Replacement Cost of the Business Property at the time and at the place of the Loss or Damage less an allowance for taking into consideration age, condition, wear and tear, depreciation and remaining useful life.

Insured

means the natural person, entity or Corporation named in the Schedule whom We have agreed to insure.

This definition is extended in Section – Public and Products Liability by the definition of 'You, Your, Insured' to include others.

Limit of Liability

means the maximum amount We will pay under:

> Section – Public and Products Liability;

as stated in the Schedule inclusive of all amounts provided for in any relevant additional benefit under that Section.

Location of Risk

means the address of each of the situations of the Business Premises stated in the Schedule.

Loss

means the financial loss sustained by You which is Covered under a particular Section or part of a Section or additional benefit.

Malware

means any code designed to:

a. erase, deny access to or corrupt data, including but not limited to ransomware and Computer Virus;

b. damage or disrupt any network or system; or

c. circumvent any network security product or service.

Money

means:

> bank notes;

> cheques, credit card sale vouchers, coins, currency notes;

> money orders;

> negotiable and non-negotiable securities;

> postal orders; or

> securities;

and other like documents of value such as:

> authorised gift vouchers;

> contents of franking machines;

> discount vouchers from external parties;

> lottery tickets;

Definitions (continued)

- phone cards, private transport tickets (excluding airline tickets), public transport tickets;
- stored value cards; or
- unused postage and revenue stamps;

and includes:

- alarm bags;
- cash boxes; and
- any other portable container used to convey money that is owned by You:

but does not include Money while in the possession of or carried by professional money carriers, professional carriers or common carriers.

Period of Cover

means the period of time stated in the Schedule We agree to Cover You for under this Policy, unless this Policy is cancelled.

If this Policy is cancelled, the Period of Cover will end on the effective date of the cancellation.

Policy

means the policy wording, the Schedule including any Endorsements, and any addendum attached to the Schedule.

Pollutant

means any solid, liquid, bacterial, viral, gaseous or thermal irritant or contaminant including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals or waste. Waste includes material to be recycled, reconditioned or reclaimed.

Premium

means the payment You make to Us, or to Your insurance intermediary on Our behalf, for this Policy or for an alteration to this Policy and includes all applicable government or statutory taxes and charges including GST.

Principal

means the sole practitioner or a partner of a partnership firm or a director of the legal entity stated as the Insured in the Schedule.

Replacement Cost

means the amount necessarily and reasonably payable to repair, rebuild, reinstate or replace the Damaged Building, Business Contents and/or Specified Items at the time and at the place of the Loss or Damage, including replacement with similar property, to a condition equal to but not better or more extensive than its/their condition when new.

Schedule

means the Schedule issued by Us containing details of Cover specific to You, including but not limited to:

- Your Policy number;
- the Period of Cover;
- the Location of Risk;
- details of the Cover You have selected;
- the Sums Insured, Limits of Liability and other limits of Your Cover;
- any Excesses You must pay; and
- any Endorsements attaching to Your Policy;

Your Schedule attaches to and forms part of this Policy.

Social Engineering Fraud

means any fraudulent or dishonest instruction to You or anyone acting on Your behalf, that is represented as or appears to be coming from a legitimate or trusted source or person with apparent authority to make that instruction and which results in You or anyone acting on Your behalf:

a. transferring, paying or delivering money, being physical currency or electronic funds, or securities from an account maintained by You;
b. transferring or delivering property, being physical or intangible property; or
c. providing access to or disclosing personal, sensitive or confidential information;

to another person or party not being the intended recipient.

Specified Items

means any item of property specifically listed in the Schedule as a Specified Item.

Storm

means:

- hail;
- rain storm, rainwater or rainwater run-off;
- sleet or snow;
- tempest;
- wind; and
- other precipitation.

Definitions (continued)

Subsidiary Company

means any entity incorporated and domiciled in Australia that is deemed by any applicable legislation or law to be a subsidiary of the corporate entity stated in the Schedule.

Sum Insured

for Sections other than:

> Business Interruption in respect of Cover for Rent Default;

> Glass; and

> Public and Products Liability;

means the maximum amount We will pay under each relevant Section or part of a Section of this Policy as stated in the Schedule other than any additional amount provided for in any relevant additional benefit under any Section.

For Section – Business Interruption the Sum Insured in respect of Cover for Rent Default is stated in the Schedule as 'Weekly Rent Default Limit'.

Terrorism

means an act, including but not limited to the use and/or threat of force or violence, of any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

Transit

means the time during the Period of Cover from when Business Property first begins loading at the warehouse, Location of Risk or place of storage on or in to the Conveyance and continues through the ordinary course of transit, until the Business Property is first placed inside the receiver's warehouse, Location of Risk or place of storage.

For the purpose of this definition, 'Transit' will also include the loading or unloading of Business Property to or from the Conveyance.

Unoccupied, Unoccupancy

means the Business Premises being left vacant, empty or not occupied or not being used in the daily trading of the Business.

Vehicle

means any type of machine on wheels, on skis or on self-laid tracks designed to be moved other than by manual or animal power and includes any trailer while attached to a Vehicle:

but does not include motorised wheelchairs, electric wheelchairs, electric scooters, bicycles or Vehicles not requiring registration or compulsory third party insurance by virtue of any legislation.

Water Damage

means Damage as a result of water, liquids or substances being discharged, overflowing or leaking from fixed apparatus, fixed appliances, fixed pipes or other general plumbing, water distribution or sewerage systems including associated taps, hoses and other apparatus.

Watercraft

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

We, Us, Our

means Guild Insurance Limited, ABN 55 004 538 863 and AFS Licence No. 233791, of 171 Collins St, Melbourne Victoria 3000.

You, Your

means the person or legal entity stated in the Schedule as the Insured.

Section - Public and Products Liability has a different definition of 'You, Your'. You should refer to that Section for the particular definition that applies.

Exclusions

The following exclusions apply to this Policy unless otherwise provided under any Section. Please read them carefully.

There are two (2) types of exclusions in this Policy.

> The exclusions set out below **apply to all Sections of this Policy or where indicated several Sections of this Policy.**

> There are also exclusions that **only apply to a particular Section of this Policy**. These are set out under 'What is Not Covered' in the particular Section.

If there is any inconsistency between any of these exclusions and more specific exclusions appearing elsewhere in this Policy, then the exclusion appearing in the relevant Section will apply to the extent of any inconsistency.

Exclusions Applicable to All Sections

This Policy **does not Cover** and **We will not be liable** for any claim under this Policy for, directly or indirectly arising out of or in any way connected with:

Aircraft

a. Your ownership, maintenance, service, operation, use or legal control of an Aircraft or Aircraft landing area; or

b. any of Your Products that are used or incorporated in or connected with Aircraft or You could be reasonably expected to know are or would be incorporated or used in Aircraft.

Aircraft landing area includes any land, building or structure in an area where Aircraft take off or land or are housed, maintained, operated or refuelled.

Bankruptcy, Business Sold or Insolvency

Your Business or You or any other person or party entitled to Cover under this Policy:

a. being placed into bankruptcy, receivership, liquidation or administration or becoming insolvent or wound-up;

b. having their interest in Your Business Property Covered under this Policy cease other than by death; or

c. Your Business being sold or otherwise permanently discontinued;

and unless otherwise agreed by Us in writing or as otherwise Covered under any Section of this Policy:

i. all Cover under this Policy ceases; and

ii. We shall not be liable for any Loss, Damage or liability arising after the Business is sold, dissolved, wound-up or permanently discontinued.

Clauses c. i. and ii. above shall not apply to the Cover provided under Section - Public and Products Liability.

Commencement of Cover

a. a bushfire or grassfire;

b. a Flood; or

c. a named cyclone or a tornado;

commencing or happening within a period of 168 hours (7 days) from the time of commencement of Your Cover with Us unless You took out this Policy with Us:

i. immediately after another insurance policy covering the same Business Property expired without an interruption in the period of insurance between that other insurer and Us;

ii. immediately after the risk legally passed to You as purchaser of Your Business Property; or

iii. immediately after You signed a lease or similar contract for Your Business Premises.

Computer, Electronic Equipment, Electronic Data and/or Software

a. total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data;

b. 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;

from any cause whatsoever regardless of any other contributing cause or event contributing concurrently or in any other sequence.

This exclusion will not apply to the Cover provided under Section - Public and Products Liability.

In respect of Business Property Covered under this Policy when a peril or event listed below causes any of the matters described in clause a. above We will Cover any physical loss, damage or destruction to Business Property and any Consequential Loss which is directly caused by a listed peril or event **but only** when the property or Consequential Loss is specifically Covered under this Policy.

Perils or events are limited to:

a. fire, explosion, lightning, windstorm, hail, tornado, cyclone, hurricane, earthquake, volcano, tsunami, freezing, weight of snow, impact by Aircraft or other aerial objects dropped therefrom, impact by any road Vehicle or animal or

Exclusions (continued)

bursting, overflowing, discharging or leaking of water tanks, apparatus or pipes; or

b. theft of Electronic Data solely where the theft is accompanied by theft of the Computer hardware, firmware medium, microchip, integrated circuit or similar device containing the Electronic Data.

Failure to Take Reasonable Precautions

failure to take all reasonable precautions for the maintenance and protection of the Business property.

Fines and Penalties or Liquidated, Punitive, Exemplary or Aggravated Damages

a. fines and/or penalties;

b. liquidated damages, punitive, exemplary or aggravated damages or additional damages resulting from the multiplication of compensatory damages; or

c. non-compensatory damages or taxes.

This exclusion will not apply in respect of Cover specifically provided under Section - Workplace Health and Safety Law Breaches Legal Costs.

Flood

Flood, unless Flood is stated in the Schedule as being Covered under any Section of this Policy and then only to the extent of the Cover provided under that Section for Flood:

This exclusion will not apply to Loss or Damage where the Loss or Damage to Business Property Covered under Section – Business Property is caused by or as a consequence of earthquake or seismological disturbance.

Fraudulent, Dishonest, Criminal, Malicious, Wilful or Intentional Acts

any actual or alleged:

a. dishonest, fraudulent, criminal or malicious act or conduct or intentional conduct;

b. wilful act or intentional conduct intended to cause loss, damage, harm or liability or committed with reckless disregard for its consequences; or

c. wilful or intentional breach of any regulation, statute or other law, contract or duty;

committed by You or any person acting with Your knowledge, consent or connivance.

This exclusion will not apply to the Cover provided under Section – Employee Dishonesty.

Hovercraft

a. Your ownership, maintenance, service, operation, use or legal control of a Hovercraft or Hovercraft landing area; or

b. any of Your Products that are used or incorporated in or connected with Hovercraft or that You could be reasonably expected to know are or would be incorporated or used in Hovercraft.

Hovercraft landing area includes any land, building or structure in an area where Hovercraft take off or land or are housed, maintained, operated or refuelled.

Infectious and/or Transmissible Diseases

a. Transmissible Spongiform Encephalopathy (TSE) including but not limited to Bovine Spongiform Encephalopathy (BSE) or new variant Creutzfeldt-Jakob Disease (vCJD);

b. the existence, suspected existence or threat of:

  > Cholera;

  > Highly Pathogenic Avian Influenza in humans;

  > Rabies;

  > any disease caused by the SARS-COV-2 virus or its variants; or

c. the existence, suspected existence or threat (actual or perceived), of any infectious or transmissible disease with pandemic or epidemic potential determined or declared by either State, Territory or Federal Governments or the World Health Organisation to be quarantinable prior to, or at any time during, the Period of Cover or any extension thereof, including but not limited to:

  > any disease determined to be a Public Health Emergency of International Concern (PHEIC);

  > any disease determined to be a listed human disease under the Biosecurity Act 2015 (Cth) or similar legislative regime; or

  > any mutation or variant of a disease stated above, or of a disease referred to in such legislation;

irrespective of whether the infectious or transmissible disease was discovered on Your Business Premises or elsewhere.

This exclusion does not apply to Section – Public and Products Liability, where You or others acting on Your behalf have taken all reasonable steps to comply with all relevant statutory requirements, published professional and/or government protocols and standards in respect of the diseases referred to in clauses a., b. and c. above.

A reference to listed human disease will have the meaning found in any replacement definition, in any amendment, re-enactment, replacement or successor legislation, or where there is no replacement definition the term will have the meaning of a term that is substantially similar in meaning

Exclusions (continued)

as defined in or declared in any amendment, re-enactment, replacement or successor legislation.

Joint Ventures

any activity in which You or Your Business engages in a joint venture or a partnership other than Cover provided under Section – Public and Products Liability.

Jurisdiction and Territorial Limits

a. any event or any actual or alleged act, error, omission, conduct, Bodily Injury or damage to property happening outside of the Territorial Limitation stated in the Schedule; or

b. any Claim, action or matter:

   > brought in a court outside of the Jurisdiction Limitation stated in the Schedule;

   > brought in any court to enforce a judgment handed down by a court outside of the Jurisdiction Limitation stated in the Schedule;

   > where You have agreed to submit to the legal jurisdiction of a court outside of the Jurisdiction Limitation stated in the Schedule; or

   > which We are prohibited from paying by law in the jurisdiction concerned.

Clause a. will not apply in respect of Cover provided by:

i. Section – Public and Products Liability in respect of Bodily Injury or Property Damage arising from:

   > Your Products exported to the United States of America or Canada without Your knowledge;

   > the presence of Your directors or Employees temporarily visiting the United States of America or Canada at Your direction but only to the extent that they are engaged in non-manual or non-supervisory work during the visit; and/or

ii. additional benefits:

   > 'Conferences, Training, Teaching' under Section - Public and Products Liability; or

   > 'Good Samaritan Acts' under Section - Public and Products Liability.

Lawful Seizure

the lawful seizure, confiscation, nationalisation, requisition or destruction of or Damage to Business Property by or under the orders of any government, public authority or local or municipal authority or statutory authority.

However, We will Cover You for Damage which occurs as a result of such an order if it prevents or attempts to prevent fire or other Damage to Business Property Covered under this Policy.

Nuclear Material

a. ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;

b. the radioactive, toxic, explosive or other hazardous properties or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;

c. any weapon or device employing atomic or nuclear fission and/or fusion or other reaction or radioactive force or matter;

d. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter; or

e. nuclear weapons material.

This exclusion will not apply to any claim under this Policy arising from the use of radioisotopes when used away from the place where they are made or produced and used solely for the purpose of medical, industrial or scientific services in the conduct of Your Business.

Railways, Tramways and Trolleybuses

the construction and/or operation and/or ownership and/or structural maintenance of railways, tramways or trolleybuses.

This exclusion will not apply in respect of the Cover provided under Section – Public and Products Liability, where rail loops, spurs or sidings are owned or operated by You in connection with Your Business for the sole purpose of loading or unloading of Your goods or Your Products.

Sanctions

the payment of any claim or providing You with any Cover or benefit exposing Us to any sanction, prohibition or restriction under United Nations resolutions or any trade or economic sanctions, laws or regulations of the European Union, United Kingdom, United States of America or Australia.

If there is a conflict between this exclusion and any other provisions of this Policy, this exclusion will apply to the extent of any inconsistency.

Silica

the existence or presence of silica dust or silica fibres.

Tenant's Liability Under Lease

Loss or Damage for which a tenant is legally responsible under the provisions of a lease or similar agreement.

This exclusion will not apply where:

a. the tenant is not insured in respect of the Loss or Damage;

Exclusions (continued)

b. the tenant is insured in respect of the Loss or Damage but the tenant's insurer refuses to pay for the Loss or Damage; or

c. the tenant is not legally required to pay for the Loss or Damage.

Terrorism

any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the Property Damage, Bodily Injury or Advertising Liability or Claim or for any cost or expense including any action taken in controlling, preventing, suppressing or in any way relating to any act of Terrorism.

Transmission and Distribution

overhead transmission and distribution lines and their supporting structures of power-generating authorities or companies and telecommunications companies:

but does not include power lines and their supporting structures that extend from the public highway to Your premises and are Your responsibility.

This exclusion will not apply to the following additional benefits Covered under Section – Business Interruption:

i. Public Utilities.

Unoccupancy

loss of or Damage to any Business Property caused by:

a. accidental Damage;

b. breakage of Glass or Signs as defined in Section – Glass;

c. explosion;

d. fire;

e. leakage of water or liquid;

f. malicious acts; or

g. Theft as defined in Section – Theft;

when the Business Premises are left Unoccupied for more than ninety (90) consecutive days.

We may consider Covering You in respect of a period of Unoccupancy beyond the period of ninety (90) consecutive days if You first obtain Our written consent and agree to any terms and additional Premium We may require.

Vehicle

Your ownership, possession or use by You of any Vehicle other than as specifically Covered under this Policy.

War or Appropriation

any war, invasion, acts of foreign enemies, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, or confiscation, nationalisation, requisition or destruction of or damage to property by or under the order of any government or public or local authority.

Watercraft

Your ownership, use or operation of any Watercraft exceeding ten (10) metres in length, other than where the Watercraft is owned or operated by others and used by You for Business entertainment.

General Conditions

The following general conditions apply to this Policy. Please read them carefully. It is important that You follow these conditions.

There are two (2) types of conditions in this Policy.

> General conditions are set out below. These **apply to all Sections of this Policy, or where indicated, several Sections of this Policy**.

> There are also conditions that only **apply to a particular Section** of this Policy. These are set out in the particular Section.

General Conditions - Applicable to All Sections

If You or any other person or party Covered under this Policy do not comply with these conditions, to the extent permitted by the Insurance Contracts Act 1984 (Cth):

> **We may cancel this Policy;** or

> to the extent Our interests have been harmed by the non-compliance, We may **reduce any claim payment** or **refuse to pay any claim** under this Policy.

Actions of Other Parties

The acts or omissions of:

a. a tenant of Yours;

b. a tenant in the Building other than You; or

c. the owner of the Building other than You;

that breach any provision of this Policy will not affect Your entitlement to Cover:

Provided that:

i. the act or omission was committed without Your prior knowledge;

ii. You notify Us of the happening or existence of the act or omission as soon as You become aware of it; and

iii. You pay any additional Premium We may require.

Alteration of Risk

This Policy Covers the Business as You have represented it to Us.

It is important for You to advise Us as soon as reasonably practicable of any material changes to the risk during the Period of Cover, including but not limited to any change to:

> Your Business name;

> the nature of Your Business activities;

> the construction of or alteration to Your Business Premises;

> Your address or the Location of Risk from where You conduct the Business;

> You or Your Business' products or services not previously disclosed to Us;

> You or Your Business' financial status due to being placed into bankruptcy, receivership, liquidation or administration or becoming insolvent or wound-up; or

> any other change to Your Business which You could reasonably be expected to know would increase the risk Covered under any Section of this Policy.

You should also advise Us if Your Business is sold or otherwise permanently discontinued.

When You advise Us of a change, We will assess whether and to what extent the change gives rise to an alteration to the risk in accordance with Our underwriting rules and processes.

If Our assessment is that change alters the risk Covered under this Policy We may:

> propose variations to the terms of this Policy; and/or

> ask You to pay an additional Premium for changes that increase Your risk, or refund Premium to You for changes that reduce Your risk; and

> if You agree, issue You with a revised Schedule.

If We do not agree to the change, or You do not accept any proposed variation to the terms of or premium payable under this Policy, We may cancel Your Policy to the extent permitted by the Insurance Contracts Act 1984 (Cth).

If You do not advise Us about a change in the Business or of other changes in the risk Covered under any Section of this Policy We may refuse to pay all or part of Your claim under this Policy to the extent permitted by the Insurance Contracts Act 1984 (Cth).

Cancellation

Right to Cancel

You may cancel this Policy at any time by notifying Us.

We may cancel this Policy when We are entitled to do so in accordance with the Insurance Contracts Act 1984 (Cth).

Premium Payment or Refund after Cancellation

In the event this Policy is cancelled:

General Conditions (continued)

a. We will retain from the Premium You have paid to Us an amount that represents the period You were Covered by Us up to the date of cancellation and refund the balance of the Premium paid by You; and

b. We may deduct from Your refund an amount that represents the costs incurred by Us that are reasonably related to the creation and termination of this Policy.

Premium Funding

When the Premium paid to Us for this Policy has been funded by a premium funding company which holds a legal right over this Policy by virtue of a notice of assignment and irrevocable power of attorney We may, at the request of the premium funding company, and after substantiation of the debt and default in payment by You has been made and proven to Us, cancel this Policy by giving You not less than three (3) business days written notice to that effect following which a refund of the proportionate part of the Premium applicable to the unexpired Period of Cover will be made to the premium funding company.

Estates, Heirs, Legal Representatives

We agree to provide Cover to Your estate, heirs, representatives or assigns in the event of Your death, mental incapacity, insolvency or bankruptcy to the same extent as Cover would otherwise be available to You under this Policy.

Governing Law

Any dispute arising under this Policy will be determined by Australian courts and in accordance with the laws of the State or Territory of Australia in which this Policy was issued.

Hazardous Goods

You may only use and store hazardous goods that are usual to Your Business and You must use and store them in the manner and quantities permitted by law.

Inspection of and/or Access to the Business Premises

You are required to provide Us or Our agent appointed by Us, including but not limited to loss adjusters and legal advisers, with all reasonable access to inspect the Business Premises:

a. after We have accepted Your insurance or after any renewal of or alteration to this Policy; or

b. if You make a claim under this Policy.

We will provide You with reasonable notice if We require an inspection of Your Business Premises.

Neither Our right to inspect nor Our failure to do so nor the making of any inspection will constitute an undertaking by Us on behalf of or for Your benefit to determine or warrant that any property or operations are safe or in compliance with relevant laws.

Interest of Other Parties

For Sections other than:

> Public and Products Liability;

where this Policy Covers the interests of You and another person or entity, that other person or entity not being stated in the Schedule as the Insured, then:

a. the insurable interest of only those persons or entity having a legal interest in or charge over any of the Business Property and who are noted in Your Business documents will be automatically included as third party beneficiaries without notification or specification; and

b. the nature and extent of their interest is to be disclosed to Us in the event of any Loss, Damage or liability which is the subject of any claim under this Policy; and

c. all such third party beneficiaries are required to comply with all of the provisions of this Policy; and

d. any act or omission of an un-named party will not prejudice the rights of the remaining parties:

Provided that:

i. clause b. above will not apply to exclusion 'Fraudulent, Dishonest, Criminal, Malicious, Wilful or Intentional Acts'; and

ii. the remaining party, as soon as reasonably practicable after becoming aware of any act or omission that increases the risk of Loss, Damage or liability, notifies Us and pays any additional Premium as We may require.

Any other person or entity not having an insurable interest as designated in clause a. above or who is not named in the Schedule or otherwise Covered under this Policy is not Covered under this Policy.

Joint Insurance – Non-imputation

If this Policy Covers more than one of You:

a. any misstatements or misrepresentations in Your Application or in any information provided for any alteration to or renewal of this Policy or failure to comply with the **duty of disclosure** by one of You will not be imputed to any other of You if that other of You is innocent of and had no prior knowledge of the misstatement, misrepresentation or failure to comply with the **duty of disclosure**; or

b. a failure of one of You to comply with any provision of this Policy will not adversely impact the Cover provided to any other of You if that other one of You is innocent of the conduct and advises Us all the facts relating to the failure

General Conditions (continued)

as soon as reasonably practicable after becoming aware of the failure.

Notices and Authorisation

We will send all notices to Your insurance intermediary.

The person or parties stated in the Schedule, or Your insurance intermediary will be authorised to act on behalf of all persons or parties Covered in respect to all matters relating to this Policy.

Other Insurance

If a Covered claim could also be covered under another policy of insurance (not issued by Us), We reserve Our right to seek contribution from the other insurer. At Our request, You and/or any other person or party entitled to Cover must give Us written notice of any insurance that may cover part or all of the claim.

Premiums

Premium Adjustment

If any Premium paid for Cover under this Policy has been calculated on information provided by You, You are required to:

a. keep records of that information; and

b. if requested by Us, provide Us with that information within thirty (30) days or as soon as reasonably practicable.

We may use that information to calculate any additional Premium payable to Us or refund of Premium payable to You because of the Premium adjustment.

We will not refund any Premium to You if any Premium on this Policy remains unpaid but may use the refund to reduce any Premium amount due to Us for this Policy.

Premium Payment

The Cover provided under this Policy does not commence until You have paid or have agreed to pay Your Premium to Us for the Period of Cover. Payment of all Premiums must be made in Australian currency.

Reasonable Precautions

You are required to:

a. take all reasonable actions and/or precautions to:

   i. maintain the Business Premises and Business Property in good order and condition;

   ii. ensure the safety and protection of the Business Premises and Business Property to prevent theft, loss of or Damage to Business Property or loss of or damage to the property of others or Bodily Injury;

   iii. comply with all laws and regulations imposed by any government or statutory authority for the safety of property or people; and

   iv. employ competent agents, contractors and Employees who also comply with clauses i., ii. and iii. above; and

b. repair or remedy as soon as is reasonably practical the fire, security and other protections provided for the safety and protection of the Business Premises and Business Property.

Transfer of Interest

No interest in this Policy can be transferred or assigned.

Waiver of Rights and Recovery

We have not waived any provision unless we clearly stated in writing that the provision is waived by Us.

We will not pay a claim under this Policy where:

a. You have agreed not to recover from any person, entity or corporation liable to compensate You for Loss, Damage or liability; or

b. You have agreed under any contract, lease, or similar agreement;

to limit or exclude any right of recovery against any third party who would otherwise be liable to compensate You with respect to that Loss, Damage or liability.

We will waive any rights and remedies or relief to which We are or may become entitled to by way of subrogation against:

a. any co-insured (including directors, officers and Employees); and

b. any corporation or entity (including its directors, officers and employees) owned or controlled by any Insured or against any co-owner of the Business Property Covered under this Policy;

unless the Loss, Damage and/or liability is caused and/or contributed to by the serious and/or wilful misconduct of any such person or entity.

Claims Conditions

The following claims conditions apply to this Policy unless otherwise provided under any Section. Please read them carefully. It is important that You follow these conditions.

There are two (2) types of claims conditions in this Policy.

> Claims conditions set out below **apply to all Sections of this Policy or where indicated several Sections of this Policy.**

> There are also claims conditions that only **apply to a particular Section** of this Policy. These are set out in the particular Section.

Claims Conditions – Applicable to All Sections

If You or any other person or party Covered under this Policy do not comply with these conditions, to the extent permitted by the Insurance Contracts Act 1984 (Cth):

> **We may cancel this Policy;** or

> to the extent Our interests have been harmed by the non-compliance, We may **reduce any claim payment** or **refuse to pay any claim** under this Policy.

Admission or Authorisations

You must not make any admission, promise or offer to:

a. settle or indemnify any loss;

b. rectify, repair or reinstate damage to any property relevant to a claim under this Policy, unless reasonably necessary to safeguard Your property; or

c. arrange replacement or disposal of any property:

in connection with any claim or circumstance which might give rise to a claim, whether or not that claim or circumstance has been notified to Us, without Our prior written consent. We will not unreasonably withhold or delay providing Our consent.

Claim Notification

You must as soon as reasonably practicable provide Us with:

a. notice of any Loss, Damage, liability or Claim made against You; and

b. all correspondence and/or notice of any proceedings in relation to any claim under this Policy and forward to Us every communication, Writ or Summons or other court pleading after receipt by You or service on You.

Claim Control and Legal Proceedings

In Your name, We may take over and have full discretion in the conduct of the defence or prosecution of legal proceedings or settlement of any claim under this Policy or in the exercise of Our rights of subrogation.

Claim Cooperation

You are required to provide to Us any reasonable assistance We need to investigate, defend or settle any claim under this Policy, including but not limited to:

a. Your cooperation in assisting Us to handle any claim under this Policy on Your behalf, the gathering of all relevant information, and Your attendance at court to give evidence; and

b. at Your own expense, Your provision of any books of account and other business books, computer records and other documents, proofs, information, explanations and other evidence We may reasonably require for the purpose of responding to a claim under this Policy.

Claim Payments in Australian Currency

We will only make payment of claims Covered under this Policy in Australian currency.

Defence of Claims

Appointment of Senior Counsel

If You and We do not agree that a Claim against You should be defended, the decision whether to defend the Claim or not can be decided by obtaining advice from Senior Counsel.

You and We will agree to the appointment of an independent Senior Counsel to provide the advice. If You and We cannot agree on the Senior Counsel to be appointed, We will seek a nomination from the President of the Law Society of the State or Territory in which this Policy has been issued.

The cost of the advice will be paid by Us as part of Your Cover for Defence Costs.

In deciding whether to defend a Claim, Senior Counsel will be requested to consider the following factors:

> the likely cost of defending the Claim;

> the prospects of successfully defending the Claim;

> the economics of the matter;

> the likely awards or damages; and

> the likely costs that could be recovered from the third party.

Recommended Settlement

Claims Conditions (continued)

If Senior Counsel and We recommend settlement of a Claim made against You and You choose to continue to defend the matter, any further defence will be at Your own cost and We will only be liable for the amount Senior Counsel advised the matter could reasonably have been settled for and Defence Costs incurred up to the time Senior Counsel and We recommended settlement.

Designation of Property

For the purpose of determining whether Business Property is Covered or not Covered under this Policy within:

a. the definition of 'Business Property'; or

b. any additional benefit, optional additional benefit or exclusion contained in this Policy;

We agree to accept the designation under which the Business Property appears in Your books of account.

Excess

You are required to contribute or bear the applicable Excess amount stated in the Policy wording or the Schedule in respect of any claim under this Policy.

If You are entitled to Cover in respect of a Claim arising out of one (1) circumstance or event:

Excess for Claim Covered by one (1) Policy Section

If the claim is Covered under only one (1) Section of the Policy:

> any Excess applicable to the circumstances of the claim will apply; and

> if more than one (1) Excess applies, the highest relevant Excess will apply.

Excess for Claim Covered by more than one (1) Policy Section

If the claim is Covered under more than one (1) Section of this Policy:

> the highest relevant Excess will apply, regardless of the number of Excesses applying across individual Sections.

Our liability to make any payment in respect of a claim shall be limited to that part of the claim above the Excess.

GST

GST and Claim Payments for Acquisition of Goods and Services or Other Supply

You are required to advise Us of Your correct Input Tax Credit percentage where You are registered as a business and have an Australian Business Number (ABN). **We will not pay** for any GST liability arising from Your incorrect advice of Your Input Tax Credit percentage.

If We make a payment under this Policy for the acquisition of goods, services or other supply We will reduce the amount of the payment by the amount of any Input Tax Credit that You are, or will be or would have been entitled to in relation to that acquisition whether or not that acquisition is actually made.

If You are not registered for GST:

a. We will pay the GST component of the reinstatement, repair, rebuilding or Replacement Cost of the lost or Damaged Business Property in addition to the Sum Insured or other limits stated in this Policy or in the Schedule if the reinstatement, repair, rebuilding or replacement has been authorised by Us and the subsequent invoice is made out to and paid by Us; or

b. if We pay the reinstatement, repair, rebuilding or Replacement Cost to You We will reduce the payment by the amount of any Input Tax Credit to which We are or would be entitled.

If You are registered for GST:

a. **We will not pay** the GST component of the reinstatement, repair, rebuilding or Replacement Cost of the lost or Damaged Business Property;

b. if We pay the reinstatement, repair, rebuilding or Replacement Cost to You We will reduce the payment by the amount of any Input Tax Credit to which You are or would be entitled;

c. if You cannot claim the GST component in full We will reimburse You the unclaimed GST component in addition to the amount We pay You; or

d. where this Policy insures Section – Business Interruption We will, where relevant, pay You Your claim by reference to the GST-exclusive amount of any supply or service made by Your Business that is relevant to Your claim under this Policy.

GST and Claim Payments for Compensation

If We make a payment under this Policy as compensation instead of as a payment for a relevant acquisition of goods, services or other supply **We will reduce the amount** of the payment by the amount of any Input Tax Credit that You would have been entitled to had the payment been applied to acquire the goods, services or other supply.

GST and Claim Payments for Legal and Other Costs

If We pay Defence Costs, Legal Costs or any other costs or expenses on Your behalf or incurred by You with Our prior consent in relation to any claim under this Policy **We will not pay** or reimburse the amount of GST included in those costs

Claims Conditions (continued)

or expenses to the extent that You are entitled to Input Tax Credits in relation to the costs and expenses.

Limitation of GST Payment

If the Sum Insured or Limit of Liability amount or other limits under this Policy are not sufficient to Cover Your claim under this Policy **We will only pay** the respective proportion of the relevant GST amount that relates to the amount of Our settlement of Your claim under this Policy.

Informing Police

You are required to report any theft, attempted theft, Business Property lost, stolen or vandalised to the police as soon as reasonably practical after becoming aware of the incident, and provide Us with a copy of any written police report.

Legal Proceedings and Waiver of Legal Privilege

Legal practitioners and other representatives retained by Us to act on Your behalf, or on behalf of any other Insured, are permitted at all times to disclose to Us any information obtained in the course of acting in that capacity. You and any other person or party Covered under this Policy agree to waive any claim to legal professional privilege in respect of that information. We may rely on that information to determine Our obligation to provide Cover under this Policy.

Loss Minimisation

You are required to do everything reasonable to:

a. assist in the recovery of any property Covered under this Policy; and

b. prevent further Loss, Damage, Business interruption or liability following any event which is the subject of any claim under this Policy or which may lead to a claim under this Policy.

Our Right to Recovery

If We make a payment to You or on Your behalf in respect of any claim under this Policy, We will have the right to recover or obtain contribution from any person or organisation whom We consider liable at law for the Loss, Damage or liability. We will be entitled to all Your rights of recovery against that person or organisation and We have the right to take that action in Your name.

You will be required to do all that is reasonably necessary to assist Us for the purpose of enforcing any rights and remedies or of obtaining indemnity from any other party to which We are entitled under this Policy.

The amount recovered will be applied first to reducing the amount by which Your Loss exceeds the sum of the payment made by Us and any Excess applied. Any balance remaining after You have been fully compensated for Your Loss, up to the amount We have paid to You to settle Your claim under this Policy, including Our legal costs for recovery, will be retained by Us.

Preservation of Evidence

You are required to take all reasonable actions necessary to:

a. retain and preserve all Damaged property for inspection by Us; and

b. retain and preserve any damaged or defective appliances, machinery, plant or other things which might prove necessary or useful as evidence in connection with any claim under this Policy and, so far as possible with due regard for safety, no alteration or repair shall be made without Our prior consent.

Progress Payments

We may at Our discretion make reasonable progress payments in respect of any claim under this Policy. We will not unreasonably refuse to do so.

Recovery of Property

If You recover or find any lost or stolen property for which We have paid a claim under this Policy, You are required to:

a. inform Us as soon as reasonably possible; and

b. give Us the recovered or found property, if We request that You do so.

Rewards

We will pay You up to $5,000 for the reasonable cost of any reward paid by You to recover any Business Property or Money belonging to You or for which You are responsible that is lost, destroyed or Damaged and which is Covered under the Business Property, Theft, Money or Glass Sections of this Policy:

Provided that:

a. the terms of the reward must be agreed by Us in writing before it is offered; and

b. We will not pay a greater amount than the value of the Business Property or Money actually recovered.

Salvage

When We accept a claim under this Policy involving loss of or Damage to any property Covered under this Policy We may, at Our option, retain the Damaged property.

You are required to allow Us to take possession of any Damaged property Covered under this Policy, and allow Us to deal with the Damaged property in a reasonable manner. If We

Claims Conditions (continued)

do not take possession of the Damaged property You cannot abandon Your responsibilities for the Damaged property.

We will not sell or dispose of any salvage without giving You the opportunity to purchase it at its salvage value.

Third Party Interests

You are required to inform Us of the interests of all other parties (including financiers, lessors, or other financially interested parties) who have a legal or financial interest in any property the subject of a claim which is Covered under this Policy.

Section - Business Property

Section – Business Property forms part of this Policy only if stated in the Schedule.

What is Covered

We will Cover You for Damage to Business Property at the Business Premises which occurs during the Period of Cover.

What is Not Covered

The following exclusions apply to this Section.

Refer to Exclusions for exclusions that apply to all claims under this Policy.

Property Covered under other Sections of this Policy

We will not Cover You under this Section for loss of or Damage to:

a. Business Property from Breakdown – as defined and Covered or which could be Covered in Section – Machinery and Electronic Equipment Breakdown;

b. Glass or Signs – Breakage of Glass and Signs as defined and Covered or which could be Covered in Section – Glass other than Damage caused by or arising from:
   - fire, lightning, explosion, implosion, earthquake, subterranean fire, volcanic eruption, water, wind, hail, storm, cyclone, rainwater;
   - impact by Vehicles, animals or Aircraft, or articles dropped from an Aircraft; or
   - malicious damage, riots or civil commotion;

c. Money – as defined and Covered or which could be Covered in Section – Money;

d. Business Property while in Transit;

e. Business Property undergoing construction, erection, alteration or addition other than as Covered under additional benefit 'Capital Additions' in this Section;

Damage caused by Specified Events

We will not pay for claims under this Section for Loss or Damage to Business Property when the Loss or Damage to the Business Property arises from or is caused by:

a. access by persons not authorised by You to Your computer systems and records;

b. cessation of work – partial or complete cessation of work, process, operation or activity caused by strikes, labour disputes or locked out workers except as a result of Damage to the Business Property committed by persons taking part in strikes or labour disputes, or by locked out workers;

c. collapse of Business Property unless caused suddenly by any cause Covered under this Section;

d. Computer Virus;

e. demolition of a Building undertaken by You or on Your behalf or by Your agent or ordered by any government or any public, local, municipal or statutory authority as a result of Your failure or the failure of anyone acting on Your behalf or Your agent to comply with any lawful requirement:

f. deterioration, fermentation and putrefaction of refrigerated goods;

g. erosion, subsidence or earth movement unless caused suddenly by any cause Covered under this Section;

h. faulty packaging or storage;

i. faulty work arising out of or in connection with:
   - an error or omission in design, plan, specifications, failure of design or incorrect design of Business Property; or
   - faulty materials or faulty workmanship including the cost of performing, re-performing, correcting, improving, rectifying or completing any work undertaken by You or on Your behalf;

j. incorrect siting of Business Property;

k. movement of foundations caused or contributed to by:
   - vibration, heaving, creeping, shrinking, settling, or expansion of foundations or supports of Business Property;
   - erosion, subsidence or earth movement unless caused suddenly by any cause Covered under this Section; or
   - collapse of Business Property unless caused suddenly by any cause Covered under this Section;

l. storm, tempest, rainwater, snow, sleet, wind or hail to:
   - gates, fences, retaining walls, exterior textile awnings, blinds, shadecloth; or
   - external Signs as defined in Section – Glass;

other than as Covered under additional benefits - 'Fences, Gates and Retaining Walls' and 'Landscaping' in this Section;

m. the action of water from the sea, tidal wave or high water; or

n. the explosion, implosion, rupture, collapse, bursting, cracking or overheating of any boiler (other than a boiler used for domestic purposes), economisers or other pressure equipment, including pipes, valves and other apparatus forming part of these other than as Covered under additional benefit – 'Boilers or Other Pressure Vessels'.

Section - Business Property (continued)

Servicing, Processing and Heat

We will not pay for claims under this Section for Loss or Damage to an item or items that arises from or is in any way connected with:

a. adjusting, servicing or testing operations of any machinery, plant or equipment;

b. any process of cleaning, alteration or repair of goods or property belonging to customers or to third parties other than as specifically Covered under this Policy;

c. it undergoing any process necessarily involving the application of heat;

d. it undergoing any process where the Damage results from it being processed; or

e. spontaneous combustion, fermentation or heating;

Provided that where Business Property is damaged as a result of any event stated in clauses a. to e. above, this exclusion will be limited to the item or items immediately affected and shall not extend to other Business Property.

Shortages and Consequential Loss

We will not pay for claims under this Section arising from or as a result of:

a. Business Property inventory shortage or disappearances arising from accounting or clerical errors;

b. shortage in the supply or delivery of Business Property to You; or

c. Consequential Loss of any kind other than as Covered under Section – Business Interruption.

Wear, Tear or Inherent Defect

We will not Cover You for Loss arising from or in any way connected with:

a. vermin or moths, termites and other insects, mice, rats or birds, including eating, chewing, clawing or pecking by them;

b. inherent defect or inherent vice;

c. gradual deterioration, wear and tear, normal up-keeping or making good;

d. rust, corrosion, oxidation, erosion, scale formation, dampness, mould, mildew, rotting, disease, Pollutants or industrial fallout, contamination, wet or dry rot, fading, flaws, scratching, marring or stain;

e. change of colour or change in flavour, texture or finish;

f. loss of weight or loss of volume; or

g. variations in temperature, variation in humidity or variation in controlled atmosphere or evaporation;

Provided that this exclusion will not apply to subsequent loss of or Damage to Your Business Property occasioned by any cause referred to in clauses a. to g. of this exclusion.

Excess

A specific Excess may apply to Loss or Damage caused by or as a result of:

> cyclone;

> Flood;

> Storm; and/or

> Water Damage;

The amount of any applicable Excess is stated in the Schedule.

Reinstatement Cover

Basis of Settlement

If the Basis of Settlement stated in the Schedule is Reinstatement the amount payable will be the Replacement Cost of the Business Property subject to the following conditions.

Buildings, Business Contents and Specified Items

A. Reinstatement and Replacement

We will at Our option:

a. rebuild, reinstate, repair or replace the Damaged Business Property to a condition equal to but not better or more extensive than its/their condition when new; or

b. pay You the amount it would have cost to reinstate, repair or replace Your Damaged Business Property to a condition equal to but not better or more extensive than its/their condition when new:

Provided that:

i. the rebuilding, reinstatement, repair or replacement of Business Property may be carried out at another site and in any manner suitable to Your requirements, subject to Our liability not being thereby increased;

ii. the work of rebuilding, reinstatement, repair or replacement of all Business Property must be commenced and carried out with due diligence and within a reasonable time failing which We will not be liable to make any payment beyond the Indemnity Value of the Business Property at the time the Damage occurs;

Section - Business Property (continued)

iii. if the Business Property is Damaged in part only Our liability will not exceed the sum representing the cost which We would have been called upon to pay if the Business Property had been wholly destroyed;

iv. no payment beyond the Indemnity Value of the Business Property will be made until a cost equal to the Replacement Cost has actually been incurred; and

if a Building is subject to a contract or order by any authority for, or is otherwise intended for, demolition prior to the event causing the Damage We will, if the Building is considered to be a total loss, pay You the salvage value of the Damaged Building.

We will not pay for any extra cost of reinstatement recoverable under or in excess of the amount provided for in the Basis of Settlement clause B. 'Extra Cost of Reinstatement'.

B. Extra Cost of Reinstatement

We will also pay the extra cost of rebuilding, reinstatement, repair or replacement (including demolition or dismantling) of the Damaged Business Property necessarily incurred to comply with the requirements of any government, public authority or local or municipal authority or statutory authority:

Provided that:

i. all other policies of insurance effected by You or on Your behalf that provide Cover for the Business Property, whether in whole or in part, provide Cover on a similar basis;

ii. if the cost of rebuilding, reinstatement or repair of a Building or Business Contents is less than fifty per cent (50%) of that which would have been the cost of rebuilding, reinstatement or repair if the Building or Business Contents had been destroyed, the amount recoverable under this additional Cover will be limited to the extra cost necessarily incurred in rebuilding, reinstating, repairing or replacing the Damaged portion only;

iii. the amount recoverable will not include the additional costs incurred in complying with any Act, regulation, by-law or requirement of any lawful authority with which You had been required to comply with prior to the happening of the Damage; and

iv. if the Basis of Settlement in the Schedule is stated as Reinstatement the 'Under-insurance' clause will not apply to the amount payable under this clause B.

We will not pay for any fees, contributions or other imposts recoverable under or in excess of the amount provided for in additional benefit – 'Government Fees – Buildings'.

C. Floor Space Ratio Index (plot ratio) – Buildings

We will pay, in addition to any other amount payable on reinstatement of the Building, the difference between the actual cost of reinstatement subject to the reduced floor space ratio index (plot ratio) and the estimated cost of reinstatement at the time of Damage which would have been incurred had a reduced floor space ratio index (plot ratio) not been applicable.

We will only pay this additional amount when an insured Building is damaged and the cost of reinstatement is more than fifty per cent (50%) of what would be the cost of reinstatement if the Building had been totally destroyed and reinstatement is only legally permissible with a reduced floor space ratio index:

Provided that:

i. in calculating the amount payable under this clause any payment made by Us will include the extra cost payable under Basis of Settlement clause B. 'Extra Cost of Reinstatement' above; and

ii. any amount payable under this clause will be paid upon the completion of the rebuilding works as certified by the architect acting on Your behalf in the reinstatement of the Building.

D. Undamaged Foundations – Buildings

If a Building is Damaged but its foundations are not destroyed and, due to legal requirements reinstatement, rebuilding or replacement of the Building has been carried out upon another site the abandoned foundations will be considered as having been destroyed.

If, however, the value of the Business Premises is increased by virtue of the presence of the abandoned foundations, then that increase in value will be regarded as salvage and that amount will be paid to Us by You upon completion of the sale of the site or will be deducted from the final amount of any monies payable by Us under this Section, whichever occurs later.

E. Professional Fees

We will Cover You for the professional fees and legal costs of architects, surveyors, consulting engineers, clerks of works salaries for estimates, plans, specifications, quantities, tenders and supervision necessarily and reasonably incurred by You with Our prior consent to rebuild, reinstate, repair or replace the Damaged Business Property.

We will not pay for:

i. any other fees or costs; or

ii. fees, salaries or wages or other expenses for preparing a claim under this clause E.

Section - Business Property (continued)

F. Output Replacement

If any Business Property consists of equipment, machinery or plant having a measurable function, capability or output and if it is necessary to replace that property with a new item or items which perform a similar function or functions, then the Basis of Settlement for that property will be:

a. if any Damaged Business Property is to be replaced with an item which has the same or a lesser total function, capability or output, then the Basis of Settlement is the new installed cost of the replacement item that would give the same total function, capability or output as the Damaged Business Property;

b. if any Damaged Business Property is to be replaced with an item which has a greater total function, capability or output and the new installed cost of that replacement property is no greater than the Replacement Cost of the Damaged Business Property, then the Basis of Settlement is the new installed cost of the item; or

c. if any Damaged Business Property is to be replaced with an item which has a greater total function, capability or output and the new installed cost of that replacement property is greater than the Replacement Cost of the Damaged Business Property, then the Basis of Settlement is the lesser of:

   > the Replacement Cost; or

   > that proportion of the new installed cost of the replacement item which the output of the Damaged Business Property bears to the output of the replacement item; or

d. if any Damaged Business Property is to be replaced with an item which has a greater total function, capability or output and the Replacement Cost of the Damaged Business Property cannot be determined, then the Basis of Settlement is the new installed cost of the replacement item.

G. Item, Pair, Set, System or Collection - Business Contents

Our maximum liability for any one item, pair, set, system or collection of Business Contents is $100,000 unless otherwise stated in the Schedule.

Our Maximum Liability – Reinstatement Cover

If the Basis of Settlement stated in the Schedule is Reinstatement Our maximum liability under this Section in respect of Basis of Settlement clauses A. to E. in respect of Business Property will be limited to the Sums Insured stated in the Schedule for each of:

a. Buildings;

b. Business Contents; or

c. Specified Items;

in respect of all Loss or Damage from whatsoever cause.

Under-insurance – Reinstatement Cover

In the event of Damage to Business Property Covered under this Section, Our liability for the Loss in respect of each of Building, Business Contents or Specified Items will be limited to the proportion that the Sum Insured shown in the Schedule bears to eighty per cent (80%) of the actual Replacement Cost of the Damaged item at the time of the Damage.

This clause will not apply if the amount of the Damage is less than ten per cent (10%) of the Sum Insured for each of the Buildings, Business Contents or Specified Items Covered under Section – Business Property.

Additional Benefits – Applicable to Reinstatement Cover

If the Basis of Settlement stated in the Schedule is Reinstatement We will, subject to all of the provisions of this Policy, also Cover You in relation to the following additional benefits.

Our liability will be limited to:

a. the amount stated for the relevant additional benefit in the Schedule; or

b. if no amount is stated for the relevant additional benefit in the Schedule, the amount stated in the additional benefit in this Section; or

c. where no amount is stated for the relevant additional benefit in either of the Schedule or the additional benefit in this Section, the Sum Insured stated in the Schedule for the Buildings, Business Contents or Specified Items that relate to that additional benefit.

The Business Property Additional Benefits Table provides a summary of the additional benefits under this Section.

Section - Business Property (continued)

Business Property Additional Benefits Table

Additional Benefits	Buildings	Business Contents	Specified Items
Alternative Premises	N	Y	Y
Boilers or Other Pressure Vessels	N	Y	N
Capital Additions	Y	Y	Y
Catastrophe Loss Cover	Y	Y	Y
Claims Preparation Costs	Y	Y	Y
Clearing Pipes and Drains	Y	Y	N
Discharge of Mortgage Fees or Lease Fees	Y	Y	Y
Exploratory Costs	Y	Y	Y
Fences, Gates and Retaining Walls	Y	N	N
Government Fees – Buildings	Y	N	N
Home Office Contents	N	Y	N
Landscaping	Y	N	N
Loss of Land Value – Buildings	Y	N	N
New Business Premises	N	Y	Y
On Hire – Business Contents	N	Y	N
Open Air – Business Contents	N	Y	N
Personal Effects	N	Y	N
Prevention of Damage Costs	Y	Y	Y
Reinstatement of Cover	Y	Y	Y
Removal of Debris and Temporary Repairs	Y	Y	Y
Rewriting of Business Documents	N	Y	N
Temporary Protection and Security	Y	Y	Y

These additional benefits do not apply when You have selected and accepted Indemnity Cover.

Alternative Premises

We will Cover You for Damage otherwise Covered under this Section to Business Property located in alternative premises anywhere in Australia:

Provided that:

We will not Cover:

i. You for Business Property which has been removed from the Business Premises for a period greater than ninety (90) consecutive days without Our prior written consent; or

ii. any Loss under this additional benefit If You are also entitled to Cover under additional benefit 'Home Office Contents' in this Section in respect of the same Loss.

Our maximum liability under this additional benefit for any one claim will be limited to:

a. twenty per cent (20%) of the Sum Insured on Business Contents or $25,000 or whichever is the lesser amount; and

b. the amount stated in the Schedule in respect of any Specified Item.

Boilers or Other Pressure Vessels

We will, when Business Contents are Covered under this Section, Cover You for Damage to boilers, economisers, vessels under pressure or their contents resulting from their own explosion or implosion.

Section - Business Property (continued)

We will not pay this additional benefit when the Damaged boilers, economisers, vessels under pressure or their contents are also Covered under Section – Machinery and Electronic Equipment Breakdown of this Policy.

Our maximum liability under this additional benefit for any one claim will be limited to $20,000.

Capital Additions

We will Cover You for Damage otherwise Covered under this Section in respect of additions to Your Buildings, Business Contents and Specified Items which are obtained or built during the Period of Cover.

Our maximum liability under this additional benefit for any one claim will be limited to:

a. twenty per cent (20%) of the Sum Insured on each of the Buildings, Business Contents or Specified Items Covered under this Section; or

b. $500,000;

whichever is the lesser amount.

Catastrophe Loss Cover

When Business Property situated at the Location of Risk is Damaged as a result of a government declared catastrophe event happening during the Period of Cover, We will, when the Business Property is totally destroyed as a result of that event, Cover You for an additional amount not exceeding twenty per cent (20%) of the Sum Insured stated in the Schedule in respect of each of:

a. each Building;

b. Business Contents; or

c. each Specified Item;

Covered under this Section:

Provided that the Sum Insured for each Building and the Sum Insured for Business Contents and each Specified Item accurately represented their full Replacement Cost prior to the catastrophe event occurring.

Claims Preparation Costs

When We agree to Cover You for a claim under this Section, We will also Cover You for professional fees and other expenses necessarily and reasonably incurred by You, with Our prior consent and which are not otherwise recoverable, to produce any information or evidence We may require to support Your claim under this Section.

Our maximum liability under this additional benefit for any one claim will be limited to $25,000.

If You are also Covered under any other Section of this Policy in respect of additional benefit – 'Claims Preparation Costs', Our maximum liability for 'Claims Preparation Costs' under this Policy, arising from the one event or cause, will not be cumulative and will be limited to the highest single monetary limit for this additional benefit under the relevant Sections.

Clearing Pipes and Drains

We will Cover You for costs necessarily and reasonably incurred by You with Our prior consent to clear service pipes, drains, gutters or sewers, including repairs, at or in the immediate vicinity of the Business Premises as a result of Damage to the Buildings and/or Business Contents Covered under this Section at the Business Premises.

We will not pay for normal maintenance costs of clearing and/or maintaining service pipes, drains, gutters or sewers or for the costs of clearing tree root infestation.

Our maximum liability under this additional benefit for any one claim will be limited to $25,000.

Discharge of Mortgage Fees or Lease Fees

We will Cover You for the legal costs which are necessarily and reasonably incurred by You to discharge a mortgage, lease or similar legally enforceable written agreement which becomes necessary as a result of Damage to the Business Property and where, at Our discretion, We treat the claim settlement in respect of the Business Property on the basis of a total loss.

Our maximum liability under this additional benefit for any one claim will be limited to:

a. on Business Property where the Sum Insured is not otherwise exhausted, an amount up to the balance of the Sum Insured for each of the Damaged Business Property; or

b. on Business Property where the Sum Insured is exhausted, an amount up to an additional ten per cent (10%) of the Sum Insured for each of the Damaged Business Property.

Exploratory Costs

We will Cover You for costs necessarily and reasonably incurred by You with Our prior consent to identify and locate the source of the Damage where the Damage is caused by the discharge, overflowing of or leakage from fixed apparatus, fixed appliances, fixed pipes or other systems used to hold or carry liquid of any kind.

We will not pay for the repair or replacement of any apparatus, appliances, pipes or other systems that has/ have given rise to the Damage.

Our maximum liability under this additional benefit for any one claim will be limited to $25,000 in respect of each of the Damaged Buildings, Business Contents or Specified Items Covered under this Section.

Section - Business Property (continued)

Fences, Gates and Retaining Walls

We will Cover You for Damage otherwise Covered under this Section, for the cost of Damage to fences, gates, and retaining walls owned by You or for which You are legally liable to pay, caused by storm, tempest, rainwater, snow, sleet, wind or hail.

Our maximum liability under this additional benefit for any one claim will be limited to $25,000.

Government Fees - Buildings

If We pay a claim for Damage to a building under this Section, We will also cover You for fees or contributions payable to government or statutory authorities, necessarily and reasonably incurred by You, where payment is required to obtain consent for reinstatement, repair, rebuilding or replacement.

We will not pay for any fine or penalty imposed by these authorities.

Our maximum liability under this additional benefit for any one claim will be limited to $25,000.

Home Office Contents

We will Cover You for Damage to Business Contents when the Business Contents are used at Your private residence for the purpose of conducting Your Business and where the Damage is caused by an event that would be otherwise Covered under this Section.

We will not pay for any Loss under this additional benefit if You are also entitled to Cover under additional benefit - 'Alternative Premises' in this Section in respect of the same Loss.

Our maximum liability under this additional benefit for any one claim will be limited to $25,000.

Landscaping

We will Cover You for Damage otherwise Covered under this Section for the cost of Damage to landscaping (including trees, shrubs and lawn) owned by You or for which You are legally liable to pay under any lease or similar written agreement.

We will not pay:

i. for Damage caused by cyclone, Flood, hail, rain, sleet, snow, storm, tempest or wind; or

ii. if a damaged tree, plant or shrub is more than five (5) years old We will replace the item with a tree, plant or shrub of the nearest equivalent species and/or function up to an age no greater than five (5) years.

Our maximum liability under this additional benefit for any one claim will be limited to $25,000.

Loss of Land Value – Buildings

If the requirements of any government, public authority or local or municipal authority or statutory authority do not allow rebuilding, or only allow partial rebuilding, at the Business Premises, We will pay the deficit between the land value of the Business Premises after the Damage and the land value of the Business Premises before the Damage.

We will only pay this additional benefit when the Damaged Building cannot be repaired or reinstated and We treat Your claim under this Section as a total loss of the Building Covered under this Section.

Our maximum liability under this additional benefit in respect of any one claim will be limited to:

a. twenty per cent (20%) of the Sum Insured stated in the Schedule for the Damaged Building at the time of the Damage; or

b. $100,000;

whichever is the lesser amount.

In either case, Our liability under this additional benefit will be reduced by any sum paid by any authority to You by way of compensation.

New Business Premises

We will Cover You for Damage otherwise Covered under this Section for Business Property removed from the Business Premises while at any new Business Premises first occupied by You during the Period of Cover:

Provided that:

a. without Our prior written consent this temporary Period of Cover is limited to the least period of:
   - the next expiry date of the Period of Cover;
   - the date on which the Business Property ceases to belong to You; or
   - ninety (90) consecutive days from the date You acquire or commence using the new Business Premises or other building:

b. the Business Property is of similar type to that already Covered under this Section;

c. the new Business Premises or other building is comprised of a building of similar construction, fire and security protection to the Business Premises currently described in the Schedule;

d. You must provide Us with full details of the new Business Premises or other building within ninety (90) days of the commencement of this temporary Period of Cover; and

e. You pay Us any additional Premium We may require.

We will not pay for:

Section - Business Property (continued)

i. Business Contents or Specified Items whilst in Transit; or

ii. Money or Personal Effects of You, Your Principals, directors, Employees or members of Your Family.

Our maximum liability under this additional benefit for any one claim will be limited to $500,000 in total for all Business Property.

On Hire – Business Contents

We will Cover You for Damage otherwise Covered under this Section to Business Contents that You hire or lease to Your tenants in Australia.

Our maximum liability under this additional benefit for any one claim will be limited to $5,000.

Open Air – Business Contents

We will Cover You for Damage otherwise Covered under this Section to Business Contents located in the open air within the boundaries of the Business Premises or immediately outside the Business Premises.

We will not pay for any costs which are Covered under additional benefit – 'Landscaping'.

Our maximum liability under this additional benefit for any one claim will be limited to $5,000.

Personal Effects

When Business Contents are Covered under this Section We will Cover You for Damage otherwise Covered under this Section to personal effects (including tools) belonging to You or Your Principals, directors or Employees.

We will not pay for loss of or damage to Money.

Our maximum liability under this additional benefit in respect of:

a. any one claim will be limited to $5,000;

b. all claims relating to any one person during the Period of Cover will be limited to $5,000; and

c. all claims in the aggregate during the Period of Cover will be limited to $50,000.

Prevention of Damage Costs

Where Business Property is Covered under this Section We will Cover You for costs necessarily and reasonably incurred by You to:

a. extinguish a fire or to respond to a chemical emergency threatening to Damage the Business Property including attendance by a fire brigade or fire fighting or similar authority;

b. prevent or reduce imminent Damage to Business Property including gaining access;

c. recharge and replace equipment used to extinguish a fire; and

d. shut off the supply of water or other substances that are accidentally discharged from any fire protection equipment or system.

We will pay this additional benefit even though there has been no Damage to the Business Premises or other Business Property.

Our maximum liability under this additional benefit for any one claim will be limited to $50,000.

Reinstatement of Cover

The amount by which the Sum Insured on each of Buildings, Business Contents or Specified Items is reduced as a consequence of the Damage will be reinstated as from the date of the Damage:

Provided that:

i. there is no written request from You or written notice by Us to the contrary;

ii. You pay the Premium which We require for the reinstatement of Cover; and

iii. We will not reinstate the Sum Insured if We have paid the Sum Insured in full or where the claim is for the total loss of the insured Business Property.

Removal of Debris and Temporary Repairs

We will pay costs necessarily and reasonably incurred by You with Our consent for:

a. the removal, storage and disposal of Debris and of anything which caused Damage at the Business Premises;

b. the removal, storage and disposal of Debris from premises, roadways, services, railways or waterways owned by any other person or entity where You are liable at law to remove, store or dispose of any Debris as a result of Damage, together with the costs of cleaning up, **but only when** that liability has not arisen as a result of any agreement made by You unless that liability would have attached to You in the absence of that agreement;

c. demolition of the whole or Damaged portion of the Business Premises and removal of Business Property insured which is necessary for the purposes of reinstatement, repair, rebuilding or replacement of the Business Property as a result of Damage; and

d. temporary repairs to the Business Premises including the demolition, dismantling, shoring up, propping up or underpinning of Business Property insured in order to effect temporary repairs.

Section - Business Property (continued)

We will pay such costs after all other costs have been incurred in the reinstatement of the Damaged Business Property up to the balance of the Sum Insured stated in the Schedule in respect of each of the Buildings, Business Contents or Specified Items Covered under this Section.

When the Sum Insured is exhausted by the payment of a claim in respect of Business Property under this Section We will pay any additional costs for removal of Debris or temporary repairs otherwise payable.

Our maximum liability under this additional benefit for any one claim is limited to $50,000.

If You are also Covered under this Section in respect of optional additional benefit 'Removal of Debris' Our maximum liability for all benefits payable for the removal of Debris and temporary repairs under this Section arising from the one event or cause will not be cumulative and will be limited to the Removal of Debris Sum Insured stated in the Schedule.

Rewriting of Business Documents

When Business Contents are Covered under this Section We will Cover You for clerical and professional costs necessarily and reasonably incurred by You with Our prior consent to restore or reconstruct Your Business Documents following Damage otherwise Covered under this Section.

We will not pay You under this additional benefit:

i. if You are entitled to claim for similar costs under Section – Business Interruption; or

ii. for any financial or other Consequential Loss caused by the loss of Your business records.

Our maximum liability under this additional benefit for any one claim will be limited to $25,000 unless otherwise stated in the Schedule.

Temporary Protection and Security

Where Business Property is Covered under this Section We will Cover You for costs necessarily and reasonably incurred by You for the temporary protection of the Business Premises, including the employment of security guards, to safeguard the Business Premises following Damage otherwise Covered under this Section.

Our maximum liability under this additional benefit for any one claim will be limited to:

a. the Sum Insured stated in the Schedule when the Sum Insured is not otherwise exhausted by the payment of a claim under this Section; or

b. an additional amount not exceeding $25,000.

If You are Covered under any other Section of this Policy Our maximum liability for the additional benefits payable for 'Temporary Protection and Security' under each Section arising from the one event or cause will not be cumulative and will be limited to the highest single monetary limit for this additional benefit under the relevant Sections.

Optional Additional Benefits

The following optional additional benefits apply only if You have selected the optional additional benefit Cover and paid any additional Premium applicable. The optional additional benefit and the Sum Insured for that benefit will be stated in the Schedule.

Flood Cover

We will Cover You for Damage caused by Flood to Buildings, Business Contents or Specified Items.

When Flood is Covered under this Policy We will also Cover You for Damage caused by Flood to:

a. Glass and Signs at the Location of Risk; and

b. Business Contents or Specified Items which are Covered under Section – General Property when Cover for that Section is stated in the Schedule.

We will not Cover You for Damage caused by Flood to landscaping (including trees, shrubs and lawn) owned by You or for which You are legally liable to pay under any lease or similar written agreement.

Our maximum liability under this optional additional benefit for any one claim for Damage caused by Flood at the Location of Risk will be limited to the Flood Sum Insured for each of the Buildings, Business Contents or Specified items stated in the Schedule.

An Excess may apply to this optional additional benefit. The amount of any applicable Excess is stated in the Schedule.

Removal of Debris

Where:

a. the Cover stated in the Schedule is Reinstatement; and

b. the Sum Insured in respect of each of Buildings, Business Contents and/or Specified Items has been exhausted by a claim under this Section;

We will Cover You for any additional amounts You become liable to pay for removal of Debris and temporary repairs in respect of such claim.

Our maximum liability in respect of this optional additional benefit for any one claim will be limited to the Removal of Debris Sum Insured stated in the Schedule.

Our maximum liability for all additional benefits payable for the removal of Debris and temporary repairs under this Section arising from the one event or cause shall not be cumulative and shall be limited to the Removal of Debris Sum Insured stated in the Schedule.

Strata Title Mortgagee's Interest

When:

a. You own part of a Building that has been subdivided into strata, community or similar title units and You have a mortgage on that part of the Building; and
b. if You have arranged this Policy to insure only the interest of a mortgagee in a strata (or similar) title unit; and
c. where the Damage is otherwise Covered under this Section:

We will pay:

- when this Policy is the only insurance policy in force that insures the Building at the date of the Damage:
    - the amount necessary to repair the Damage to that part of the Building owned by You to a condition equal to but not better or more extensive when new in accordance with the Basis of Settlement Reinstatement clauses A. to E.;
- when the body corporate (or similar body) has an insurance policy in force that insures the Building, whether in whole or in part, at the date of the Damage:
    - the difference between the amount the body corporate or its insurer pays and the reinstatement cost of the Damage to that part of the Building owned by You; or
- where reinstatement is not carried out, or only partially carried out:
    - the amount sufficient to discharge the mortgage held by You over that part of the Building owned by You as at the date of the Damage after deducting any amount We or the body corporate (or similar body) insurer have paid in respect of the partial reinstatement of the Building:

Provided that:

i. We will pay only that part of the Loss or Damage that applies to the financial interest of the mortgagee;
ii. the mortgagee requires You to discharge Your mortgage;
iii. all payments We make in respect of the discharge of Your mortgage will be paid direct to the mortgagee unless We are otherwise directed in writing by the mortgagee to pay such monies to You or any other person or entity;
iv. We will not pay any additional benefits otherwise payable under this Section; and
v. the indemnity provided under any and all other insurance policies insuring the Building at the date of the Damage will cover the Building on a similar Reinstatement Basis of Settlement as that provided under this Section failing which the Cover provided under this additional benefit will be subject to the application of Indemnity Cover provided under this Section.

Our maximum liability in respect of this optional additional benefit for any one claim will be limited to the Buildings Sum Insured stated in the Schedule.

Indemnity Cover

Basis of Settlement

If the Basis of Settlement stated in the Schedule is Indemnity, Our maximum liability under this Section will be limited to:

a. the Indemnity Value of the Business Property; or
b. the Sum Insured stated in the Schedule;

whichever is the lesser amount.

Removal of Debris and Temporary Repairs

We will also Cover You for costs necessarily and reasonably incurred by You with Our consent for:

a. the removal, storage and disposal of Debris and of anything which caused Damage at the Business Premises;
b. the removal, storage and disposal of Debris from premises, roadways, services, railways or waterways owned by any other person or entity where You are liable at law to remove, store or dispose of any Debris as a result of Damage, together with the costs of cleaning up, **but only when** that liability has not arisen as a result of any agreement made by You unless that liability would have attached to You in the absence of that agreement;
c. demolition of the whole or Damaged portion of the Business Premises and removal of Business Property insured that is necessary for the purposes of reinstatement, repair, rebuilding or replacement of the Business Property as a result of Damage;
d. temporary repairs to the Business Premises including the demolition, dismantling, shoring up, propping up or underpinning of Business Property insured in order to effect temporary repairs.

Our Maximum Liability

Our maximum liability under this Section including all costs arising from removal of Debris and temporary repairs will be limited to the Sum Insured stated in the Schedule in respect of all Loss or Damage from any cause whatsoever.

Section - Business Property (continued)

Under-insurance

In the event of Damage to Business Property Covered under this Section, Our liability for the Loss in respect of each of Building, Business Contents or Specified Items will be limited to the proportion that the Sum Insured shown in the Schedule bears to eighty per cent (80%) of the actual Indemnity Value of the Damaged item at the time of the Damage.

This clause will not apply if the amount of the Damage is less than ten per cent (10%) of the Sum Insured for each of the Buildings, Business Contents or Specified Items Covered under Section – Business Property.

Additional Benefits – Applicable to Indemnity Cover

Where Business Property is Covered under this Policy for Indemnity Basis of Settlement We will also Cover You in respect of the following additional benefits.

Loss of Land Value – Buildings

If the requirements of any government, public authority or local or municipal authority or statutory authority do not allow rebuilding, or only allow partial rebuilding, at the Business Premises, We will pay the deficit between the land value of the Business Premises after the Damage and the land value of the Business Premises before the Damage.

We will only pay this additional benefit when the Damaged Building cannot be repaired or reinstated and We treat Your claim under this Section as a total loss of the Building Covered under this Section.

Our maximum liability under this additional benefit in respect of any one claim will be limited to:

a. twenty per cent (20%) of the Sum Insured stated in the Schedule for the Damaged Building at the time of the Damage; or

b. $100,000;

whichever is the lesser amount.

In either case, Our liability under this additional benefit will be reduced by any sum paid by any authority to You by way of compensation.

Reinstatement of Cover

The amount by which the Sum Insured on each of Buildings, Business Contents or Specified Items is reduced as a consequence of the Damage will be reinstated as from the date of the Damage:

Provided that:

i. there is no written request from You or written notice by Us to the contrary;

ii. You pay the Premium which We require for the reinstatement of Cover; and

iii. We will not reinstate the Sum Insured if We have paid the Sum Insured in full or where the claim is for the total loss of the insured Business Property.

Claim Conditions - Applicable to Reinstatement Cover

If You or any other person or party Covered under this Policy do not comply with these conditions, to the extent permitted by the Insurance Contracts Act 1984 (Cth):

> **We may cancel this Policy;** or

> to the extent Our interests have been harmed by the non-compliance, We may **reduce any claim payment** or **refuse to pay any claim** under this Policy.

Cash Settlement

If We have offered to reinstate, repair, rebuild or replace Your Business Property, You may request that We pay You a cash settlement. We may decline Your request however, We will not unreasonably do so.

If We agree to pay Your claim by a cash settlement, We will pay You:

a. the Indemnity Value of Your Business Property if it is a total loss; or

b. an amount equal to the reasonable cost of repairing or replacing Your Business Property, less any trade discount We would have received or negotiated if We had repaired or replaced it/them.

Claim Conditions – Applicable to Indemnity Cover

If You or any other person or party Covered under this Policy do not comply with these conditions, to the extent permitted by the Insurance Contracts Act 1984 (Cth):

> **We may cancel this Policy;** or

> to the extent Our interests have been harmed by the non-compliance, We may **reduce any claim payment** or **refuse to pay any claim** under this Policy.

Undamaged Foundations – Buildings

If a Building is Damaged but its foundations are not destroyed and, due to legal requirements rebuilding, reinstatement or replacement of the Building has been carried out upon another site, the abandoned foundations will be considered as having been destroyed.

If, however, the value of the original Business Premises is increased by virtue of the presence of the abandoned foundations, then the increase in value will be regarded as salvage and that amount will be paid to Us by You upon completion of the sale of the site or will be deducted from the final amount of any monies payable by Us under this Section whichever occurs later.

Conditions - Applicable to all of this Section

If You or any other person or party Covered under this Policy do not comply with these conditions, to the extent permitted by the Insurance Contracts Act 1984 (Cth):

> **We may cancel this Policy;** or

> to the extent Our interests have been harmed by the non-compliance, We may **reduce any claim payment** or **refuse to pay any claim** under this Policy.

Sprinkler Installations

For any Business Premises in which an automatic sprinkler system is installed and is owned by You, or where You are responsible for the operation or maintenance of the automatic sprinkler system, You must:

a. ensure that the Business Property is protected as required by law by an approved installation of automatic sprinklers, automatic external alarm signal and automatic alarm signal connected with a Fire Brigade Station or other legally approved monitoring organisation;

b. exercise due diligence to ensure that any system and alarm signal are at all times maintained in good working order;

c. ensure that the system will be regularly maintained in accordance with Australian Standard AS1851 (Part 3); and

d. notify Us in writing and as soon as reasonably practicable of any alterations or additions to the automatic sprinkler installation.

Section - Business Interruption

Section – Business Interruption forms part of this Policy only if stated in the Schedule.

Definitions

The following definitions apply wherever the relevant words or terms appear in this Policy for the purposes of determining the Cover that is available under this Section.

Refer to Definitions for words or terms not specifically defined in this Section.

Accounts Receivable

means the unpaid balance of monies due from customers of Your Business as detailed in Your Business accounts or certified by Your accountant but excluding Rent and/or debts that were bad or doubtful prior to the Damage.

Agent

means:

> a licensed real estate agent;

> a licensed property manager; or

> any other person or entity;

who You have appointed to act on Your behalf to manage the Rental Property.

Annual Rent

means the Rent receivable during the twelve (12) months immediately before the date of the Damage.

Damage

For the purpose of the Cover provided under this Section the definition of 'Damage' is extended to include Damage occurring as a result of a claim Covered under:

> Section – Business Property;

> Section – Theft;

> Section – Money;

> Section – Glass;

> Section – General Property; or

> Section – Machinery and Electronic Equipment Breakdown;

of this Policy.

Indemnity Period

means the period stated in the Schedule and commencing from the date of the Damage and ending not later than:

a. the last day of the Indemnity Period during which period the Rent of Your Business is affected as a consequence of the Damage; or

b. the date when the Rent of Your Business is no longer affected;

whichever occurs first.

Lease Agreement

means the written agreement between You or Your Agent and the Tenant detailing the terms and conditions of the agreement for the Rental Property including the:

a. term of the lease period; and

b. amount of Rent;

but does not include:

a Periodic Tenancy Agreement.

For the purpose of this definition an agreement referred to as a 'rental agreement' has the same meaning as a 'Lease Agreement'.

Periodic Tenancy Agreement

means an agreement that applies when a Tenant continues to occupy the Rental Property after a fixed-term Lease Agreement has expired.

Rent

means the rental income receivable by You for the Business Premises in accordance with a lease or similar contract or other legally enforceable written agreement existing at the time of the Damage or Rent Default.

Rent Default

means a Tenant being in breach of the Lease Agreement and who:

a. vacates the Rental Property before the end of the tenancy period stated in the Lease Agreement without giving the relevant notice required under the Lease Agreement;

b. is legally evicted from the Rental Property;

c. ceases paying Rent in accordance with the Lease Agreement; or

d. fails to pay Rent owed to You or Your Agent.

Rental Property

means the Business Premises and Building at the Location of Risk stated in the Schedule.

Section - Business Interruption (continued)

Tenant

means the person, company or other entity named in the Lease Agreement.

Weekly Rent

means:

a. the amount of Rent calculated as payable on a weekly basis; or

b. if the amount of Rent is not fixed, the total Rent payable by the Tenant during the period of Rent Default divided by the number of weeks in the Rent Default period.

Part A – Loss of Rent

Cover for Part A – Loss of Rent forms part of this Policy only if stated in the Schedule.

What is Covered

Loss of Rent

We will Cover You for loss of Rent during the Indemnity Period when the Business Premises or part of the Business Premises stated in the Schedule becomes untenantable as a result of Damage for which a claim is Covered under Section – Business Property and the Rent ceasing or reducing as a direct result of:

a. Damage for which a claim is Covered under Section – Business Property;

b. Theft for which a claim is Covered under Section – Theft;

c. Loss for which a claim is Covered under Section – Money;

d. Breakage for which a claim is Covered under Section – Glass;

e. Loss or Damage for which a claim is Covered under Section – General Property; or

f. Breakdown for which a claim is Covered under Section – Machinery and Electronic Equipment Breakdown;

and the Rent ceasing or reducing as a direct result of the Damage, Theft, Breakage, Loss or Breakdown.

Increased Cost of Working

We will Cover You for additional expenditure incurred by You during the Indemnity Period to avoid a reduction in Rent for the primary purpose of minimising the Loss **but not exceeding** the amount of reduction in Rent thereby saved.

Additional Increased Cost of Working

We will Cover You for the additional expenditure necessarily and reasonably incurred by You as a result of Damage, for the primary purpose of avoiding or diminishing a reduction in Rent during the Indemnity Period.

We will not pay for any Loss under this Cover if You are also entitled to Cover for the same Loss under 'Increased Cost of Working'.

Claims Preparation Costs

We will Cover You for professional fees and other costs necessarily and reasonably incurred by You during the Indemnity Period with Our prior consent, to certify accounts or particulars required by Us for the preparation of any claim under this Section for:

> Additional Increased Cost of Working; or

> Loss of Rent.

What is Not Covered

The following exclusions apply to Part A of this Section.

Refer to Exclusions for other exclusions that apply to all claims under this Policy.

We will not Cover You under this Part A for:

a. claims arising from or in any way connected with Flood unless Flood Cover is stated in the Schedule as being Covered under this Section;

b. Loss or Damage to Electronic Data or Electronic Data Media caused solely as the result of Breakdown which is Covered or could be Covered under Section - Machinery and Electronic Equipment Breakdown; or

c. claims for any Loss if You elect not to continue in the Business after the happening of the Damage.

In respect of the Cover provided under Section – Machinery and Electronic Equipment Breakdown in respect of:

> Part A – Machinery; or

> Part B – Electronic Equipment:

We will not pay claims under this Part A for:

a. any costs incurred during the first forty-eight (48) hours following the Breakdown; or

b. any additional costs incurred where the period of interruption otherwise applicable is increased beyond four (4) weeks due to delay in the repair or replacement of items manufactured outside Australia where such delay results from:

   > measures, restrictions or regulations imposed by any government, public or local authority;

- the time required to procure replacement parts or complete items in overseas markets;
- the time required to transport or ship component parts or complete items between the Business Premises and any overseas place of repair or replacement; or
- the time required to engage and transport overseas specialists or consultants to assist in or supervise local repairs.

We will not pay for claims under this Part A for or arising from Consequential Loss of any kind other than that provided specifically for in the Cover under this Section.

Excess

A specific Excess may apply to Loss or Damage caused by or as a result of:

- cyclone;
- Flood;
- Storm; and/or
- Water Damage;

The amount of any applicable Excess is stated in the Schedule.

Basis of Settlement

Loss of Rent

We will pay You for the amount of Your Loss:

Provided that:

i. if any of the charges or expenses incurred for maintaining the Business Premises in a tenantable condition (including, but not limited to, wages, cost of power, lighting and the like) cease or reduce as a consequence of the Damage, the amount payable to You will be reduced accordingly; and

ii. if You have unreasonably prevented the work of reinstatement, repairing, rebuilding or replacement from commencing and being carried out within a reasonable time, **We will not be liable** to make any payment beyond the amount of Rent that would have been payable had the Business Premises been restored to a tenantable state within a reasonable time.

Increased Cost of Working – Rent

We will pay You for expenditure necessarily and reasonably incurred by You.

Our maximum liability under this Section for any one claim in respect of:

a. Loss of Rent; and

b. Increased Cost of Working – Rent;

will be limited to the Loss of Rent Sum Insured and the Indemnity Period stated in the Schedule.

Additional Increased Cost of Working

We will pay the additional expenditure necessarily and reasonably incurred by You.

Our maximum liability for this additional expenditure for any one claim will be limited to the Additional Increased Cost of Working Sum Insured stated in the Schedule.

Claims Preparation Costs

We will pay the professional fees and other costs necessarily and reasonably incurred by You.

Our maximum liability for these additional costs for any one claim will be limited to the Claims Preparation Costs Sum Insured stated in the Schedule.

Under-insurance

In the event of loss of Rent as Covered under this Section, Our liability will be limited to the proportion that the Loss of Rent Sum Insured shown in the Schedule bears to eighty per cent (80%) of the Annual Rent (or its proportionately increased multiple where the Indemnity Period exceeds twelve (12) months) that would have been received by or paid to You during the Period of Cover had the Damage not occurred.

This clause will not apply if the loss of Rent is less than ten per cent (10%) of the Sum Insured in respect of Loss of Rent.

Additional Benefits – Applicable to Part A

We will, subject to all of the provisions of this Policy, Cover You in relation to the following additional benefits.

Our liability will be limited to the amount stated in the relevant additional benefit or, if no amount is stated, the applicable sub-limit, Sum Insured or Limit of Liability amount stated in the Schedule.

Accounts Receivable

We will Cover You for Loss arising from Your inability to collect Accounts Receivable as a result of Damage or Theft of Your Business Documents happening at the Business Premises and for which We pay a claim under Section – Business Property or Section – Theft.

We will pay You the monetary value of Accounts Receivable at the time of the Damage and which You are unable to recover as a direct result of Damage to or Theft of Your Business Documents.

We will not pay for the value of information contained in any documents.

Our maximum liability under this additional benefit for any one claim will be limited to $25,000.

Business Documents

We will Cover You for Loss resulting from Damage to Business Documents belonging to You or held in trust by You while in Transit or while at any premises not occupied by You.

We will not pay for any Loss under this additional benefit If You are also entitled to Cover under additional benefit 'Accounts Receivable' in this Section in respect of the same Loss.

Our maximum liability under this additional benefit for any one claim will be limited to twenty per cent (20%) of the Sum Insured under this Section for Loss of Rent.

Loss of Incidental Income

We will Cover You for loss of incidental Income during the Indemnity Period following interruption to or interference with the Business as a result of:

a. Damage for which a claim is Covered under Section – Business Property;

b. Theft for which a claim is Covered under Section – Theft;

c. Loss for which a claim is Covered under Section – Money;

d. Breakage for which a claim is Covered under Section – Glass;

e. Loss or Damage for which a claim is Covered under Section – General Property; or

f. Breakdown for which a claim is Covered under Section – Machinery and Electronic Equipment Breakdown; and

in respect of the Cover provided under this Section, a claim arising under additional benefits:

g. Prevention of Access; or

h. Public Utilities;

and the incidental Income ceasing or reducing as a direct result of the Damage, Theft, Breakage, Loss or Breakdown.

We will pay You the amount by which the incidental Income during the Indemnity Period will fall short of the incidental Income which would have been received by You during the Indemnity Period if the Damage had not occurred:

Provided that:

i. the amount We pay You will be reduced by any amount saved during the Indemnity Period in respect of charges and expenses of the Business which may cease or be reduced as a consequence of the Damage;

ii. if, during the Indemnity Period, services shall be rendered elsewhere than at the Location of Risk stated in the Schedule for the benefit of the Business, either by You or by others on Your behalf, the money paid or payable in respect of such services will be brought into account in arriving at the incidental Income lost during the Indemnity Period;

iii. if the Damage occurs before the completion of the first year's trading of Your Business at the Location of Risk We will calculate Your incidental Income to mean the proportional equivalent for a period of twelve (12) months of the actual incidental Income realised during the period between the commencement of the Business and the date of the Damage occurring; and

iv. in order to determine the incidental Income that would have been received, as nearly as reasonably practicable, during the relative period after the Damage occurred, an adjustment will be made to reflect:

- the trend in the Business;
- other variations in the Business; or
- any other circumstances affecting the Business;

either before or after the Damage occurred, and which would have affected the Business had the Damage not occurred.

Our maximum liability under this additional benefit for any one claim in respect of loss of incidental Income will be limited to:

a. the greater of $25,000 or the Loss of Incidental Income Sum Insured stated in the Schedule; and

b. the Indemnity Period stated in the Schedule.

If You are also Covered under any other Section of this Policy with Us in respect of an additional benefit for 'Loss of Incidental Income' Our maximum liability for all additional benefits payable for 'Loss of Incidental Income' under this Policy arising from the one event or cause will not be cumulative and will be limited to the highest single monetary limit for this additional benefit under the relevant Sections.

For the purpose of this additional benefit 'Income' means the money paid or payable to You for services rendered in the course of the Business at the Business Premises and any other income payable to the Business for the twelve (12) months immediately preceding the date of the Loss **but excluding Rent.**

Prevention of Access

We will Cover You for Your Loss of Rent arising from:

a. Lawful Intervention that prevents access to or hinders the use of Your Business Premises resulting from physical damage to property or land within a fifty (50) kilometre radius of Your Business Premises:

Provided that the damage is not directly or indirectly caused by, contributed to by, resulting from, arising out

Section - Business Interruption (continued)

of or in connection with any loss of, alteration of, or a reduction in the functionality, availability or operation of a Computer or Electronic Data;

b. damage to buildings in which the Business Property is contained or forms part of whether the Business Property forming part of or contained in the complex is damaged or not; or

c. the closure or evacuation of the whole or part of Your Business Premises by order of a competent government or statutory authority arising directly from:

> murder or suicide occurring at Your Business Premises or in the immediate vicinity of Your Business Premises;

> poisoning directly caused by the consumption of food or drink provided on Your Business Premises;

> the discovery or occurrence at Your Business Premises of any legionella species likely to result in legionellosis;or

> vermin or other pests, or defects in drains or other sanitary arrangements, occurring at Your Business Premises.

We will not Cover You under this additional benefit for:

i. the discovery of human infectious or transmissible diseases, other than those caused by legionella species, at Your Business Premises; or

ii. the discovery of an organism at Your Business Premises likely to result in human infectious or transmissible diseases, other than those caused by any legionella species, at Your Business Premises.

We will not Cover You under clause a. or b. of this additional benefit if the actual or threatened damage giving rise to the claim would not have been Covered under Section - Business Property had it occurred at Your Business Premises.

For the avoidance of doubt, exclusion – 'Infectious and/or Transmissible Diseases' applies to this additional benefit.

For the purposes of this additional benefit 'Lawful Intervention' means the following acts caused by a lawful government, public or statutory authority:

i. evacuation or closure of an area or means of access to an area including direct instructions from emergency services; or

ii. emergency warnings advising immediate evacuation or taking shelter is necessary including but not limited to an 'Emergency Warning' in accordance with the Australian Warning system:

but does not include general media reporting, private decisions to close or evacuate or general warnings of a precautionary nature including but not limited to advice to:

> be aware of a potential threat;

> monitor conditions;

> prepare to evacuate or take shelter; or

> avoid unnecessary travel.

Public Utilities

We will Cover You for Loss of Rent as a result of damage that causes the cessation of or interruption to any land-based telecommunications system or any electricity, gas, power, sewerage or water supply systems within Australia that You obtain services from:

Provided that the interruption of supply extends for a period greater than forty-eight (48) hours.

We will not Cover You under this additional benefit if the damage giving rise to the claim would not have been Covered under Section - Business Property at Your Business Premises.

Reinstatement of Cover

The amount by which the Loss of Rent Sum Insured is reduced as a consequence of the claim will be reinstated as from the date of the Damage:

Provided that:

a. there is no written request from You or written notice by Us to the contrary;

b. You pay the Premium which We require for the reinstatement of Cover; and

c. We will not reinstate the Sum Insured if We have paid the Sum Insured for Loss of Rent in full or where the claim under Section – Business Property is for the total loss of the insured Business Property.

Part B – Rent Default

Cover for Part B - Rent Default forms part of this Policy only if stated in the Schedule.

What is Covered

We will Cover You for loss of Rent arising from Rent Default occurring during the Period of Cover.

What is Not Covered

The following exclusions apply to Part B of this Section.

Refer to Exclusions for other exclusions that apply to all claims under this Policy.

We will not Cover You under this Part B if:

a. any Rent was in arrears at the commencement of the Period of Cover;

b. Your Tenant leaves the Rental Property, with or without notice, and You have failed to rectify any notice requiring remedy of a breach of a Lease Agreement issued by the Tenant to You;

c. the Lease Agreement could have been legally terminated by You;

d. Your Tenant has carried on business at and/or from the Rental Property for less than twelve (12) months;

e. Your Rental Property is re-tenanted; or

f. Your Rental Property is not available to be tenanted immediately because of renovations or maintenance work being carried out.

We will not pay for claims under this Part B arising from Consequential Loss of any kind.

Basis of Settlement

We will pay Your claim on the following basis:

a. for weeks 5 to 12 inclusive:

   We will pay one hundred per cent (100%) of the Weekly Rent multiplied by the number of weeks Rent is in default;

b. for weeks 13 to 26 inclusive:

   We will pay seventy-five per cent (75%) of the Weekly Rent multiplied by the number of weeks Rent is in default.

We will not pay You for Loss arising from Rent Default for the Excess period or Voluntary Excess period stated in the Schedule.

Our maximum liability under this Section for any one claim will be limited to:

a. a multiple of eighteen and one-half (18.5) times the Weekly Rent Default Limit stated in the Schedule; and

b. for a period no greater than:

   i. twenty-two (22) weeks during any one Period of Cover; or

   ii. the term of the Lease Agreement ending;

whichever occurs first.

Under-insurance – Rent Default

Where the Weekly Rent Default Limit stated in the Schedule for the Location of Risk is less than the Weekly Rent under the Rental Agreement We will only pay that portion of the claim which the Weekly Rent Default Limit stated in the Schedule bears to the Weekly Rent.

Additional Benefits – Applicable to Part B

We will, subject to all of the provisions of this Policy, Cover You in relation to the following additional benefits.

Our liability will be limited to the amount stated in the relevant additional benefit or, if no amount is stated, the applicable sub-limit, Sum Insured or Limit of Liability amount stated in the Schedule.

Legal Expenses

We will pay the legal expenses necessarily and reasonably incurred by You or Your Agent to:

a. legally evict a Tenant who is in breach of the Lease Agreement by reason of Rent Default; or

b. recover any amount owed to You or Your Agent by a Tenant:

Provided that:

i. You or Your Agent must first obtain our written consent before these costs are incurred;

ii. in respect of clause b. the amount owed is greater than the amount We will pay under this additional benefit.

We will not pay for legal expenses or other costs that You or Your Agent incur solely to recover any loss that is not Covered under this Section.

Our maximum liability under this additional benefit for any one claim will be limited to:

a. fifty per cent (50%) of the legal expenses necessarily and reasonably incurred by You or Your Agent: or

b. $3,000;

whichever is the lesser amount.

Conditions – Applicable to Rent Default

If You or any other person or party Covered under this Policy do not comply with these conditions, to the extent Our interests have been harmed by the non-compliance We may:

> reduce any claim payment; or

> refuse to pay any claim under this Section.

You must have taken all responsible steps legally available to You including those available under the relevant State or Territory legislation relating to commercial property leases or similar rental agreements to remedy non-payment of Rent, terminate the Rental Agreement and/or evict the Tenant.

Section - Business Interruption (continued)

Claim Conditions – Applicable to all of this Section

If You or any other person or party Covered under this Policy do not comply with these conditions, to the extent permitted by the Insurance Contracts Act 1984 (Cth):

> **We may cancel this Policy;** or

> to the extent Our interests have been harmed by the non-compliance, We may **reduce any claim payment** or **refuse to pay any claim** under this Policy.

Books of Account

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

Section - Theft

Section – Theft forms part of this Policy only if stated in the Schedule.

Definitions

The following definitions apply wherever the relevant words or terms appear in this Policy for the purposes of determining the Cover that is available under this Section.

Refer to Definitions for words or terms not specifically defined in this Section.

Safe

means a container specifically designed for the safe storage of money or valuables which is specifically designed to be compliant with Australian standards to protect the contents against fire and to resist unauthorised opening by hand-held or power-operated tools.

Strongroom

means a burglar-resistant structure constructed of masonry and steel which is specifically designed to be compliant with Australian standards for the safe storage of money or valuables and designed to resist fire and unauthorised opening by hand-held or power-operated tools.

Theft

means actual or attempted theft following:

a. actual or attempted forcible and violent entry of or to the Building;

b. actual assault or violence or the threat of immediate assault or violence or violent intimidation against You, Your Employees, or any other person at the Business Premises;

c. any person or persons being illegally or feloniously concealed in the Building but only if there is evidence of forcible and violent exit from the Building; or

d. armed hold-up or any attempt thereat at the Business Premises.

What is Covered

We will Cover You for loss of or Damage to Your Business Contents or Specified Items caused by Theft from the Building or as otherwise Covered under this Section at the Business Premises which occurs during the Period of Cover.

What is Not Covered

The following exclusions apply to this Section.

Refer to Exclusions for exclusions that apply to all claims under this Policy.

We will not Cover You under this Section for loss of or Damage to:

a. Business Contents or Specified Items in the open air other than to the extent Cover is provided under this Section in respect of additional benefit 'Theft Without Forcible Entry';

b. Business Contents or Specified Items from a Safe or Strongroom when that Safe or Strongroom is/are opened by using a key or a combination, or both, when the key or combination or both has/have been left on the Business Premises whilst the Business Premises are left unattended, closed for business or outside Business Hours;

c. Business Contents or Specified Items whilst contained in a Vehicle;

d. Business Property caused by any person lawfully on Your Business Premises other than a tenant of Your Business Premises and other than as Covered under additional benefit 'Theft Without Forcible Entry' in this Section;

e. Business Property which is Covered or could be Covered under Section – Business Property;

f. Glass or Signs which are Covered or could be Covered under Section – Glass;

g. jewellery, furs, bullion, property made of gold or silver or precious stones exceeding $2,000 any one item and $10,000 any one Loss; or

h. Money for any amount exceeding $250 any one Loss;

We will not pay for claims for or arising from:

i. Consequential Loss of any kind;

j. Theft in which You, Your Principals, directors, partners, Employees or any member of Your Family are involved other than Theft by an Employee following visible forcible and violent entry of or to the Building; or

k. unexplained disappearances or unexplained shortages whether from clerical or accounting errors or shortages in supply or deliveries to or by You.

Reinstatement Cover

Basis of Settlement

We will at Our option:

a. reinstate, repair or replace the lost or Damaged Business Contents or Specified Items to a condition equal to but not better or more extensive than its/their condition when new; or

Section - Theft (continued)

b. pay You the amount it would have cost to repair or replace Your lost or Damaged Business Contents or Specified Items to a condition equal to but not better or more extensive than its/their condition when new.

Our maximum liability under this Section for any one claim will be limited to the Sums Insured stated in the Schedule for Section – Theft.

Additional Benefits – Applicable to Reinstatement Cover

If the Basis of Settlement stated in the Schedule is Reinstatement We will, subject to all of the provisions of this Policy, also Cover You in relation to the following additional benefits.

Our liability will be limited to:

a. the amount stated for the relevant additional benefit in the Schedule; or

b. if no amount is stated for the relevant additional benefit in the Schedule, the amount stated in the additional benefit in this Section; or

c. where no amount is stated for the relevant additional benefit in either of the Schedule or the additional benefit in this Section, the Sum Insured stated in the Schedule for the Buildings, Business Contents or Specified Items that relate to that additional benefit.

The Business Property Additional Benefits Table provides a summary of the additional benefits under this Section.

Alternative Premises

We will Cover You for loss of or Damage otherwise Covered under this Section to Business Property due to Theft located in alternative premises anywhere in Australia.

We will not Cover You for:

i. loss of or Damage to Business Property whilst in Transit; or

ii. Business Property which has been removed from the Business Premises for a period greater than ninety (90) consecutive days without Our prior written consent.

We will not pay for any Loss under this additional benefit If You are also entitled to Cover under additional benefit 'Home Office Contents' in this Section in respect of the same Loss.

Our maximum liability under this additional benefit for any one claim will be limited to:

> twenty per cent (20%) of the Theft Sum Insured stated in the Schedule; or

> $20,000;

whichever is the lesser amount.

Claims Preparation Costs

When We agree to Cover You for a claim under this Section, We will also Cover You for professional fees and other expenses necessarily and reasonably incurred by You, with Our prior consent and which are not otherwise recoverable, to produce any information or evidence We may require to support Your claim under this Section.

Our maximum liability under this additional benefit for any one claim will be limited to $25,000.

If You are also Covered under any other Section of this Policy in respect of additional benefit – 'Claims Preparation Costs', Our maximum liability for 'Claims Preparation Costs' under this Policy, arising from the one event or cause, will not be cumulative and will be limited to the highest single monetary limit for this additional benefit under the relevant Sections.

Damage to Business Property

We will Cover You for Damage to the Business Property caused by Theft including:

a. the removal, storage and disposal of Debris and of anything that caused Damage at the Business Premises; and

b. temporary repairs to the Business Premises including the demolition, dismantling, shoring up, propping up or under pinning of Business Property insured in order to effect temporary repairs.

Our maximum liability payable under this additional benefit for any one claim will be limited to the monetary difference between the amount of any claim paid under this Section in respect of that Loss and the Theft Sum Insured stated in the Schedule.

When the combined total of:

a. the amount paid in respect of Your Loss; and

b. the cost of repairing Damage to Business Property caused by Theft;

exceeds the Theft Sum Insured, We will Cover You for that additional repair cost under Section – Business Property.

Death Following Assault

If any person is injured while protecting or attempting to protect Business Property Covered under this Section from Theft and death results directly from that injury We will pay $10,000 to the estate of that person.

If You are also Covered under Section – Money, Our maximum liability for the additional benefits payable for 'Death Following Assault' under each of Section – Theft and Section – Money, arising from one event or cause, will not be cumulative and will be limited to $10,000 in the aggregate for both Sections.

Section - Theft (continued)

Equipment on Hire

We will Cover You for loss of or Damage to Business Contents that You hire or lease to tenants due to Theft during the Period of Cover at the tenant's premises in Australia.

Our maximum liability under this additional benefit for any one claim will be limited to $5,000.

Home Office Contents

We will Cover You for Theft of Business Contents when the Business Contents are used at Your private residence for the purpose of conducting Your Business and where the Theft is caused by an event that would otherwise be Covered under this Section.

We will not pay for any Loss under this additional benefit If You are also entitled to Cover under additional benefit 'Alternative Premises' in this Section in respect of the same Loss.

Our maximum liability under this additional benefit for any one claim will be limited to $25,000.

New Business Premises

We will Cover You for Damage otherwise Covered under this Section for Business Property removed from the Business Premises while at any new Business Premises first occupied by You during the Period of Cover:

Provided that:

a. without Our prior written consent this temporary Period of Cover is limited to the least period of:
   - the next expiry date of the Period of Cover;
   - the date on which the Business Property ceases to belong to You; or
   - ninety (90) consecutive days from the date You acquire or commence using the new Business Premises or other building:

b. the Business Property is of similar type to that already Covered under this Section;

c. the new Business Premises or other building is comprised of a building of similar construction, fire and security protection to the Business Premises currently described in the Schedule;

d. You must provide Us with full details of the new Business Premises or other building within ninety (90) days of the commencement of this temporary Period of Cover; and

e. You pay Us any additional Premium We may require.

We will not pay for:

i. Business Contents or Specified Items whilst in Transit; or

ii. Money or Personal Effects of You, Your Principals, directors, Employees or members of Your Family.

Our maximum liability under this additional benefit for any one claim will be limited to twenty per cent (20%) of the Sum Insured stated in the Schedule for Theft.

Personal Effects

We will Cover You for loss of or Damage to personal effects (including tools) belonging to You or Your Principals, directors or Employees due to Theft at the Business Premises.

We will not pay for loss of or damage to Money.

Our maximum liability under this additional benefit in respect of any one claim will be limited to $5,000 for any one item and $10,000 in total for all items.

Reinstatement of Cover

The amount by which the Sum Insured for Business Contents or Specified Items is reduced as a consequence of the loss or Damage will be reinstated as from the date of the loss or Damage:

Provided that:

a. there is no written request from You or written notice by Us to the contrary;

b. You pay the Premium which We require for the reinstatement of Cover; and

c. We will not reinstate the Sum Insured on any Specified Item if We have paid the Sum Insured on that Specified Item in full.

Replacement of Locks, Keys and Combinations

We will Cover You for the costs necessarily and reasonably incurred by You to recode or replace locks, keys and/or combinations belonging to Your Safes or Strongrooms and to otherwise open Safes or Strongrooms at the Business Premises due to:

a. Theft of keys or combinations from the Business Premises or elsewhere; or

b. a belief, based on reasonable grounds, that the locks, keys or combinations have been stolen or illegally duplicated:

Provided that We will only Cover the cost of replacing locks, keys and/or combinations with items of a similar type and quality.

Our maximum liability under this additional benefit for any one claim will be limited to $10,000.

If You are also Covered under Section – Money, Our maximum liability for the additional benefits payable for 'Replacement of

Locks, Keys and Combinations' under each of Section – Theft and Section – Money, arising from one event or cause, will not be cumulative and will be limited to $10,000 in the aggregate for both Sections.

Restoration of Security System

We will Cover You for the costs necessarily and reasonably incurred by You to restore or repair any existing security system at the Business Premises that has been damaged due to Theft.

Our maximum liability under this additional benefit for any one claim will be limited to $5,000.

Rewriting of Business Documents

We will Cover You for Your clerical and professional costs necessarily and reasonably incurred by You to re-write, restore or reconstruct Your Business Documents following Loss or Damage as a result of Theft at the Business Premises or elsewhere in Australia by any cause which would be Covered under this Section if the Loss or Damage had occurred at the Business Premises.

We will not pay for any financial loss or other Consequential Loss caused by the loss of Your Business Documents.

Our maximum liability under this additional benefit for any one claim will be limited to $25,000.

Temporary Protection and Security

We will Cover You for the costs necessarily and reasonably incurred by You for the temporary protection of the Business Premises including the employment of security guards in order to safeguard the Business Premises in respect of a claim Covered under this Section.

Our maximum liability under this additional benefit for any one claim will be limited to $ 25,000.

If You are Covered under any other Section of this Policy, Our maximum liability for the additional benefits payable for 'Temporary Protection and Security' under each Section, arising from one event or cause, will not be cumulative and will be limited to the highest single monetary limit for this additional benefit under the relevant Sections.

Theft Without Forcible Entry

We will Cover You for loss of or Damage to:

a. Business Contents (other than electronic equipment) or Specified Items from within or from immediately outside the Business Premises due to theft without forcible entry of or to the Business Premises; and

b. electronic equipment from the Buildings **but excluding** theft from any open-sided or partially enclosed structures or yards or other open spaces.

We will not pay for loss of or Damage to:

i. Business Stock: or

ii. customers' goods;

under this additional benefit.

Our maximum liability under this additional benefit for any one claim during any one Period of Cover will be limited to $5,000 in respect of the Cover provided under each of clauses a. and b. above.

Indemnity Cover

Basis of Settlement

Where the Basis of Settlement stated in the Schedule is Indemnity Our maximum liability under this Section will be limited to:

a. the Indemnity Value of the Business Property; or

b. the Sum Insured stated in the Schedule;

whichever is the lesser amount.

Removal of Debris and Temporary Repairs

We will also Cover You for costs necessarily and reasonably incurred by You with Our consent for:

a. the removal, storage and disposal of Debris and of anything which caused Damage at the Business Premises; and

b. temporary repairs to the Business Premises including the demolition, dismantling, shoring up, propping up or underpinning of Business Property insured in order to effect temporary repairs.

Our Maximum Liability

Our maximum liability under this Section including all costs arising from removal of Debris and temporary repairs will be limited to the Sum Insured stated in the Schedule in respect of all Loss or Damage from any cause whatsoever.

Claim Conditions – Applicable to all of this Section

If You or any other person or party Covered under this Policy do not comply with these conditions, to the extent permitted by the Insurance Contracts Act 1984 (Cth):

- **We may cancel this Policy;** or

Section - Theft (continued)

- to the extent Our interests have been harmed by the non-compliance, We may **reduce any claim payment** or **refuse to pay any claim** under this Policy.

Cash Settlement

Where We have offered to reinstate, repair or replace Your Business Contents or Specified Items, You may request that We pay You a cash settlement. We may decline Your request however, We will not unreasonably do so.

If We agree to pay Your claim by a cash settlement, We will pay You:

a. the Indemnity Value of Your Business Contents or Specified Items if they are a total loss; or

b. an amount equal to the reasonable cost of repairing or replacing Your Business Contents and/or Specified Items, less any trade discount We would have received or negotiated if We had repaired or replaced it/ them.

Conditions - Applicable to all of this Section

If You or any other person or party Covered under this Policy do not comply with these conditions, to the extent permitted by the Insurance Contracts Act 1984 (Cth):

- **We may cancel this Policy;** or
- to the extent Our interests have been harmed by the non-compliance, We may **reduce any claim payment** or **refuse to pay any claim** under this Policy.

Security Alarm System

Where the Business Premises is/are protected by a security alarm system for which You are responsible You must ensure that the alarm system is:

a. activated whenever the Business Premises are closed for business or outside Business Hours and/or left unattended by You or any of Your Employees;

b. maintained in good condition and working order; and

c. regularly tested in accordance with the manufacturer's recommendations.

Section - Money

Section – Money forms part of this Policy only if stated in the Schedule.

Definitions

The following definitions apply wherever the relevant words or terms appear in this Policy for the purposes of determining the Cover that is available under this Section.

Refer to Definitions for words or terms not specifically defined in this Section.

Financial Service Institution

means a bank, building society or credit union or an agency for any of these institutions.

Safe

means a container specifically designed for the safe storage of money or valuables which is specifically designed to be compliant with Australian standards to protect the contents against fire and to resist unauthorised opening by hand-held or power-operated tools.

Strongroom

means a burglar-resistant structure constructed of masonry and steel which is specifically designed to be compliant with Australian standards for the safe storage of money or valuables and designed to resist fire and unauthorised opening by hand-held or power-operated tools.

What is Covered

Money in Business Premises

We will Cover You for loss of Money:

> belonging to You; or

> that You are legally responsible or have assumed a responsibility to insure;

contained at Your Business Premises:

a. at any time whilst in a locked Safe or Strongroom;

b. during Business Hours whilst not in a locked Safe or Strongroom; or

c. outside Business Hours whilst not in a locked Safe or Strongroom;

and which occurs during the Period of Cover.

Money in Transit

We will Cover You for loss of Money:

> belonging to You; or

> for which You are legally responsible or have assumed a responsibility to insure;

in Transit anywhere in Australia while:

a. contained in a night-safe of any Financial Service Institution; or

b. in Your personal custody or in the custody of a person authorised by You;

and which occurs during the Period of Cover.

Cover will cease when:

i. Your Financial Service Institution ceases trading on its next business day; or

ii. the Money is deposited or otherwise lodged with Your Financial Service Institution;

whichever is the earlier.

Money in Private Residence

We will Cover You for loss of Money:

> belonging to You; or

> for which You are legally responsible or have assumed a responsibility to insure;

while contained in:

a. the home of a person authorised by You; or

b. Your home;

when it has been taken there for safekeeping from Your Business Premises or the place of collection.

Cover will cease when:

i. Your Financial Service Institution ceases trading on its next business day; or

ii. the Money is deposited or otherwise lodged with Your Financial Service Institution;

whichever is the earlier.

What is Not Covered

The following exclusions apply to this Section.

Refer to Exclusions for exclusions that apply to all claims under this Policy.

We will not Cover You under this Section for:

a. loss of Money from a Safe or Strongroom opened by the use of a key or by use of a combination, or both, when the key or combination or both has/have been left on the Business Premises whilst the Business Premises are

Section - Money (continued)

left unattended, closed for business or outside Business Hours;

b. loss of Money from a Safe or Strongroom whilst unlocked except where that Safe or Strongroom is unlocked following:

- armed hold-up or any attempt thereat; or
- assault or violence or the threat of immediate assault or violence or violent intimidation against You or Your Employees;

c. loss of Money from an unattended or unlocked Vehicle;

d. Loss not discovered within ten (10) business days from the date of happening of the Loss;

e. loss of Money due to shortage resulting from clerical or accounting errors or errors in receiving or paying out Money or for dishonoured cheques;

f. loss of Money through theft, fraud, embezzlement, misappropriation or dishonest acts committed by:

- You;
- Your directors or Your Principals;
- Your Employees; or
- any member of Your Family;

other than theft by an Employee following visible forcible and violent entry to or upon the Business Premises;

g. loss of Money resulting from or as a consequence of authorised or unauthorised access of any description to:

- Your financial accounts or records; or
- Your banking facilities or accounts;

whether at the Business Premises, Your Financial Services Institution or elsewhere and whether by use of the internet or by any other means; or

h. Consequential Loss of any kind.

Basis of Settlement

We will pay You the amount of Your Loss.

Our maximum liability under this Section for any one claim will be limited to the amount stated in the Schedule for each of:

- Business Hours (not in Safe or Strongroom) Sum Insured;
- In Private Residence Sum Insured;
- In Transit Sum Insured;
- Locked in Safe or Strongroom (any time) Sum Insured; or
- Outside Business Hours (not in Safe or Strongroom) Sum Insured.

Additional Benefits

We will, subject to all of the provisions of this Policy, Cover You in relation to the following additional benefits.

Our liability will be limited to the amount stated in the relevant additional benefit or, if no amount is stated, the applicable sub-limit, Sum Insured or Limit of Liability amount stated in the Schedule.

Bank and Public Holiday Cover

We will automatically increase the Sums Insured for Money on days that are Australian government gazetted as a bank or public holiday.

This increase will apply until Your:

a. Financial Service Institution ceases trading on its next business day; or

b. Money is deposited or otherwise lodged with Your Financial Service Institution;

whichever is the earlier.

Our maximum liability under this additional benefit for any one claim will be limited to:

i. twenty per cent (20%) of the amount stated in the Schedule for each of:

- Business Hours (not in Safe or Strongroom) Sum Insured;
- Locked in Safe or Strongroom (any time) Sum Insured; and
- Outside Business Hours (not in Safe or Strongroom) Sum Insured; or

ii. $50,000;

whichever is the lesser amount.

This additional benefit **does not apply to** Money in Private Residence.

Claims Preparation Costs

When We agree to Cover You for a claim under this Section, We will also Cover You for professional fees and other expenses necessarily and reasonably incurred by You, with Our prior consent and which are not otherwise recoverable, to produce any information or evidence We may require to support Your claim under this Section.

Our maximum liability under this additional benefit for any one claim will be limited to $25,000.

If You are also Covered under any other Section of this Policy in respect of additional benefit – 'Claims Preparation Costs', Our maximum liability for 'Claims Preparation Costs' under this Policy, arising from the one event or cause, will not be

Section - Money (continued)

cumulative and will be limited to the highest single monetary limit for this additional benefit under the relevant Sections.

Counterfeit Currency

We will Cover You for Loss due to Your acceptance in good faith in exchange for merchandise, Money or services of counterfeit Australian currency notes.

Our maximum liability under this additional benefit for any one claim and for all claims in the aggregate during any one Period of Cover will be limited to $500 in any one Period of Cover.

Damage to Safes or Strongrooms

We will Cover You for:

a. the cost of opening Your Safe or Strongroom at the Business Premises if Money is stolen or there is an attempt at stealing Your Money from Your Safe or Strongroom and the Safe or Strongroom is so damaged by the theft or attempted theft as to be incapable of being opened;

b. the cost of repairing any damage to the Safe or Strongroom that was caused by the theft or attempted theft; or

c. the cost of replacing the Safe if the Safe is stolen or cannot be repaired following damage to the Safe.

Our maximum liability under this additional benefit for any one claim will be limited to $10,000.

Death Following Assault

If any person is injured while protecting or attempting to protect Money Covered under this Section from theft and death results directly from that injury We will pay $10,000 to the estate of that person.

If You are also Covered under Section – Theft, Our maximum liability for the additional benefits payable for 'Death Following Assault' under each of Section – Theft and Section – Money, arising from one event or cause, will not be cumulative and will be limited to $10,000 in the aggregate for both Sections.

Money in Custody

We will Cover You for loss of Money in the custody or control of Your real estate agent, property manager or other representative authorised to act on Your behalf.

Our maximum liability under this additional benefit for any one claim will be limited to $5,000.

New Business Premises

We will Cover You for Loss otherwise Covered under this Section for Money at any new Business Premises or in Transit to or from any new Business Premises first occupied by You during the Period of Cover:

Provided that:

a. without Our prior written consent this temporary Period of Cover is limited to the least period of:
   - the next expiry date of the Period of Cover;
   - the date on which the new Business Property ceases to be occupied by You; or
   - ninety (90) consecutive days from the date the new Business Premises were first occupied by You;

b. the Money is already Covered under this Section;

c. the new Business Premises is comprised of a building of similar construction and security protection to the Business Premises currently described in the Schedule;

d. You must provide Us with full details of the new Business Premises within ninety (90)consecutive days of the commencement of this temporary Period of Cover; and

e. You pay Us any additional Premium We may require.

Our maximum liability under this additional benefit for any one claim will be limited to twenty per cent (20%) of the Sum Insured stated in the Schedule for Money for each of:

i. Business Hours (not in Safe or Strongroom) Sum Insured;

ii. Outside Business Hours (not in Safe or Strongroom) Sum Insured;

iii. Locked in Safe or Strongroom (any time) Sum Insured; and

iv. In Transit Sum Insured;

Covered under this Section.

Personal Money Belonging to You or Your Employees

We will Cover You for the theft of personal Money belonging to You or Your Principals, directors, or Employees occurring at the Business Premises during the Period of Cover:

Provided that neither You nor they are entitled to be indemnified under any other policy of insurance in respect of the same Loss or Damage.

Our maximum liability under this additional benefit for any one claim will be limited to $5,000 for any one person in any one Period of Cover and $10,000 in the aggregate for all claims in any one Period of Cover.

Reinstatement of Cover

The amount by which the Sum Insured for each of Money in Business Premises, Money in Transit or Money in Private Residence is reduced as a consequence of the claim will be reinstated as from the date of the Loss:

Section - Money (continued)

Provided that:

a. there is no written request from You or written notice by Us to the contrary; and

b. You pay the Premium which We require for the reinstatement of Cover.

Replacement of Locks, Keys and Combinations

We will Cover You for the costs necessarily and reasonably incurred by You to recode or replace locks, keys and/or combinations belonging to Your Safes or Strongrooms and to otherwise open Safes or Strongrooms at the Business Premises due to:

a. theft of keys or combinations from the Business Premises or elsewhere; or

b. a belief, based on reasonable grounds, that the locks, keys or combinations have been stolen or illegally duplicated.

We will only Cover the cost of replacing locks, keys and/or combinations with items of a similar type and quality.

Our maximum liability under this additional benefit for any one claim will be limited to $10,000.

If You are also Covered under Section – Theft Our maximum liability for the additional benefits payable for 'Replacement of Locks, Keys and Combinations' under each of Section – Theft and Section – Money arising from the one event or cause will not be cumulative and will be limited to $10,000 in the aggregate for both Sections.

Temporary Protection and Security

We will Cover You for the costs necessarily and reasonably incurred by You for the temporary protection of the Business Premises including the employment of security guards in order to safeguard the Business Premises in respect of a claim Covered under this Section.

Our maximum liability under this additional benefit for any one claim will be limited to $ 25,000.

If You are Covered under any other Section of this Policy, Our maximum liability for the additional benefits payable for 'Temporary Protection and Security' under each Section, arising from one event or cause, will not be cumulative and will be limited to the highest single monetary limit for this additional benefit under the relevant Sections.

Conditions - Applicable to all of this Section

If You or any other person or party Covered under this Policy do not comply with these conditions, to the extent permitted by the Insurance Contracts Act 1984 (Cth):

> **We may cancel this Policy;** or

> to the extent Our interests have been harmed by the non-compliance, We may **reduce any claim payment** or **refuse to pay any claim** under this Policy.

Security Alarm System

Where the Business Premises is/are protected by a security alarm system for which You are responsible You must ensure that the alarm system is:

a. activated whenever the Business Premises are closed for business or outside Business Hours and/or left unattended by You or any of Your Employees;

b. maintained in good condition and working order; and

c. regularly tested in accordance with the manufacturer's recommendations.

Section - Employee Dishonesty

Section – Employee Dishonesty forms part of this Policy only if stated in the Schedule.

Definitions

The following definitions apply wherever the relevant words or terms appear in this Policy for the purposes of determining the Cover that is available under this Section.

Refer to Definitions for words or terms not specifically defined in this Section.

Employee

means a natural person who has:

a. at any time entered into a contract of service or apprenticeship with You and/or for whom You are required by virtue of workers' compensation or similar legislation to effect workers' compensation insurance cover; or

b. been assigned, hired or seconded from a personnel agency by You for work in Your Business:

but does not mean:

i. any person who is not directly paid remuneration by You other than as described in clause b. above;

ii. a partner, Principal, director or trustee of Your Business except when performing the usual duties of an Employee; or

iii. any person who is a member of any committee that examines or audits or has custody of or access to Your Business accounts, Money, Business Contents or other goods.

Limit per Employee

means the maximum amount We will pay under this Section as stated in the Schedule in respect of any one Loss and all Losses arising out of any one or more related or unrelated fraudulent or dishonest acts committed by any one Employee or group of individuals which contain one or more common Employees.

What is Covered

We will Cover You for Your Loss in respect of:

> Business Property or Business goods; and

> Money;

belonging to You or in Your possession or for which You are legally liable and where that Loss:

a. occurs in the normal course of Your Business;

b. is caused directly by an act of fraud or dishonesty or other fraudulent or dishonest conduct by an Employee with the intent to cause Loss to You or to benefit any person or entity other than You;

c. is first discovered:

> during the Period of Cover;

> less than twelve (12) months after the termination or non-renewal of this Policy or this Section of this Policy; or

> less than twelve (12) months after the termination of the employment or services of the Employee; and

d. arises from an act or conduct committed less than twelve (12) months before being first discovered.

You must be able to identify the Employee responsible for the Loss.

Where You are unable to identify the specific Employee whose act or conduct has given rise to the Loss We will Cover You for any Loss:

Provided that You prove to Our reasonable satisfaction and at Your own cost that the Loss was caused by the fraudulent or dishonest act or conduct of one or more Employees.

All Losses arising out of any one or more related or unrelated fraudulent or dishonest act committed by any one Employee or group of individuals which contain one or more common Employee are deemed to have been first discovered when the first the Loss was first discovered by You or anyone acting on Your behalf.

What is Not Covered

The following exclusions apply to this Section.

Refer to Exclusions for exclusions that apply to all claims under this Policy.

We will not Cover You for:

a. any part of any Loss arising from or proven or quantified through inconsistencies in any accounting records, or inventory or stocktaking calculations or shortages resulting from clerical or accounting errors;

b. Consequential Loss of any kind;

c. Loss arising from any act of fraud or dishonesty or dishonest conduct committed by any Employee after discovery by You or anyone acting on Your behalf after You or they had reasonable cause for suspicion of any act of fraud or dishonesty or dishonest conduct on the part of that Employee; or

d. Loss arising from any act of fraud or dishonesty or dishonest conduct committed by any member of Your Family.

Section - Employee Dishonesty (continued)

Basis of Settlement

For:

a. Loss of Money We will pay You the amount of Your Loss;

b. Business Contents or Business goods We will, at Our option:

   > pay the amount necessarily and reasonably payable to reinstate, repair or replace the Business Contents or Business goods at the time of its/ their reinstatement, repair or replacement, including replacement with similar property, to a condition equal to but not better or more extensive than its/ their condition when new; or

   > by agreement with You pay You the Indemnity Value of the Business Contents or Business goods:

Provided that:

i. any amount We pay You will be reduced by the sum of all monies, including salary, commission, assets or other entitlements to which an Employee who caused the Loss would have been entitled but which You have retained or are entitled to retain at law; and

ii. Money and Business Contents and/ or Business goods, if recovered in whole or in part will belong to Us subject to Your right to reclaim that property upon repayment of any amount paid by Us.

Our maximum liability under this Section in respect of:

> any one claim will be limited to the Limit per Employee any one Period of Cover amount stated in the Schedule;

> all claims relating to any one Employee during the Period of Cover will be limited to the Limit per Employee any one Period of Cover amount stated in the Schedule; and

> all claims in the aggregate during the Period of Cover will be limited to the Employee Dishonesty Sum Insured stated in the Schedule.

Additional Benefits

We will, subject to all of the provisions of this Policy, Cover You in relation to the following additional benefits.

Our liability will be limited to the amount stated in the relevant additional benefit or, if no amount is stated, the applicable sub-limit, Sum Insured or Limit of Liability amount stated in the Schedule.

Claims Preparation Costs

We will Cover You for professional fees and other expenses necessarily and reasonably incurred by You with Our prior consent, and which are not otherwise recoverable, to produce any information or evidence as We may require to support Your claim under this Section.

Our maximum liability under this additional benefit for any one Loss and all Losses in the aggregate during the Period of Cover will be limited to:

> ten per cent (10%) of the Employee Dishonesty Sum Insured stated in the Schedule; or

> $25,000;

whichever is the lesser amount.

If You are also Covered under any other Sections of this Policy in respect of additional benefit – 'Claims Preparation Costs', Our maximum liability for 'Claims Preparation Costs' under this Policy, arising from one event or cause, will not be cumulative and will be limited to the highest single monetary limit for this additional benefit under the relevant Sections.

Cost of Recovery

We will Cover You where You sustain a Loss that is greater than the Sum Insured for Employee Dishonesty for costs and expenses necessarily and reasonably incurred by You with Our prior written consent in an attempt to recover the costs of any Loss Covered under this Section from any person responsible for that Loss.

Our maximum liability under this additional benefit for any one Loss and all Losses in the aggregate during the Period of Cover will be limited to:

a. twenty per cent (20%) of the Employee Dishonesty Sum Insured stated in the Schedule; or

b. $5,000;

whichever is the lesser amount.

Reinstatement of Cover

The amount by which the Sum Insured for Employee Dishonesty is reduced as a consequence of a claim under this Section will be reinstated from the date of the Loss:

Provided that:

i. We will not reinstate the Sum Insured more than once during any one Period of Cover for any Loss that arises out of the act of any one Employee and/or group of Employees whether or not acting individually or in concert with any other person;

ii. there is no written request from You or written notice by Us to the contrary; and

iii. You pay the Premium which We require for the reinstatement of Cover.

Section - Employee Dishonesty (continued)

Welfare, Social or Sporting Clubs or Superannuation or Pension Schemes

We will Cover Loss in respect of Money belonging to:

a. any social, welfare or sporting club formed in connection with Your Business exclusively for the benefit of Your Employees and their immediate families; or

b. any superannuation or pension scheme formed by You exclusively for the benefit of Your Employees but not including any scheme or similar arrangement administered by a professional funds manager.

Conditions - Applicable to all of this Section

If You or any other person or party Covered under this Policy do not comply with these conditions, to the extent permitted by the Insurance Contracts Act 1984 (Cth):

> **We may cancel this Policy;** or

> to the extent Our interests have been harmed by the non-compliance, We may **reduce any claim payment** or **refuse to pay any claim** under this Policy.

What You Must Do

a. Upon the discovery of any acts of fraud or dishonesty or dishonest conduct committed by any Employee or reasonable cause for suspicion thereof, You are required to:

   > notify Us as soon as reasonably possible of the circumstances of that discovery and/or the Loss;

   > take all reasonable steps to regain possession of the lost Money, Business Property or Business goods;

   > take all reasonable steps to prevent further Loss; and

   > aid the apprehension and prosecution of any Employee or any other person involved in that act of fraud or dishonesty or dishonest conduct for any illegal or criminal offence committed by that person.

b. You are required to assist Us and cooperate with Us fully in the exercise of Our rights to obtain recovery from the Employee or any other person of any Loss which We have paid or are liable to pay under this Section.

c. If any claim is made under this Section You are required to:

   > provide Us with proof to our reasonable satisfaction of any actual or alleged fraud or dishonesty;

   > report the fraud or dishonesty to the police;

   > provide Us with all records and documents which may assist Us in the investigation of the claim, the determination of the Loss and Our or Your right of recovery against any person as a result of the Loss; and

d. to the extent allowed by law, retain all salary, money, entitlements and assets which are the property of any Employee who has committed those acts of fraud or dishonesty or dishonest conduct giving rise to a claim under this Section and You are required to apply that money or property towards minimising any Loss which may be Covered under this Section.

Section - Machinery and Electronic Equipment Breakdown

Section – Machinery and Electronic Equipment Breakdown forms part of this Policy only if stated in the Schedule.

Definitions

The following definitions apply wherever the relevant words or terms appear in this Policy for the purposes of determining the Cover that is available under this Section.

Refer to Definitions for words or terms not specifically defined in this Section.

Definitions - Applicable to all of this Section

Boilers, Pressure Vessels and Pressure Pipe Systems

means the permanent structure of Insured Items which are subject to internal steam, gas or fluid pressure (other than atmospheric pressure) including all direct attachments connected to the permanent structure and includes with respect to Boilers the rotating, reciprocating or electrical apparatus attached to them.

Breakdown

means the sudden and unforeseen physical destruction or physical damage resulting from or caused by:

a. mechanical, hydraulic, electrical or electronic breakdown; or

b. failure, malfunction or derangement of any nature;

of any machine, device, Computer or any other form of equipment, that requires immediate repair or replacement to enable normal working to continue:

but does not include:

any reduction in the functionality, availability or operation of a Computer resulting from causes other than physical damage to any of its components or parts, including but not limited to defect or corruption.

Electronic Equipment

means all computers, word processors including all ancillary equipment attached thereto, software, other electronic equipment and associated air conditioning equipment as stated in the Schedule as Insured Items.

Machinery

means electrical and mechanical items including electronic and other integral parts of the item including Boilers, Pressure Vessels and Pressure Pipe Systems.

Definitions - Applicable to Part A - Machinery

Insured Item

means Unspecified Machinery and/or Specified Item.

Specified Item

means any item of Machinery specifically stated as Covered in the Schedule.

Unspecified Machinery

means any item of Machinery that is not specifically Covered as a Specified Item and stated in the Schedule:
but does not include any item exceeding $100,000 new replacement value.

Definitions - Applicable to Part B - Electronic Equipment

Insured Item

means Unspecified Electronic Equipment and/or Specified Item.

Specified Item

means any item of Electronic Equipment specifically stated as Covered in the Schedule.

Unspecified Electronic Equipment

means any item of Electronic Equipment that is not specifically Covered as a Specified Item and stated in the Schedule:
but does not include any item exceeding $100,000 new replacement value.

Part A – Machinery

Part A – Machinery forms part of the Cover provided under this Section only if stated in the Schedule.

What is Covered

We will Cover You for costs necessarily and reasonably incurred to repair or replace Machinery Covered as:

> Unspecified Machinery; or

Section - Machinery and Electronic Equipment Breakdown (continued)

- Specified Items;

following Breakdown which occurs during the Period of Cover while the Insured Item is:

a. within the Location of Risk; and

b. working, at rest or being dismantled, moved, reassembled or reinstalled for the purpose of cleaning, adjustment, inspection, repair, overhaul or relocation, but only after completion of successful initial commissioning at the Location of Risk.

What is Not Covered

The following exclusions apply to Part A of this Section.

Refer to:

- 'What is Not Covered - Applicable to all of this Section' for exclusions that apply to both Part A and Part B of this Section
- Exclusions for other exclusions that apply to all claims under this Policy.

We will not Cover You under this Part A for:

a. the cost of:

  - replacement of expendable items such as belts, filters, fuses, electric heating elements, electrical contacts, thermostats, TX valves, cutting blades, crushing surfaces, parts made of glass, porcelain or ceramics, chains, seals, links, dies and moulds, conveyor belting, lubricants, fuel and any transfer media;
  - replacement of unserviceable component parts worn through normal machine operation;
  - adjustment, cleaning, purging or recharging of refrigeration or air conditioning equipment; or
  - replacement of refractory or brickwork forming part of an Insured Item;

  unless the cost is necessary as part of the rectification of Breakdown not otherwise excluded under this Part A; or

b. the cost of:

  - maintenance work including but not limited to the tightening of loose parts, recalibration or adjustments;
  - alteration, additions, improvements or overhauls whether carried out in the course of repairs or as a separate operation;
  - modification or alteration of an Insured Item to enable it to operate with a more ozone-friendly refrigerant gas as required by the UNEP (United Nations Environment Programme) Montreal Protocol with respect to substances which deplete the ozone layer, unless conversion is necessitated by Breakdown;
  - replacement or repair, caused by gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation);
  - replacement of lighting equipment, reticulated electrical wiring, reticulated liquid and gas piping and ducting;
  - repair of scratches, chipping or discolouration to painted or polished surfaces, unless resulting from Breakdown;
  - repair of slowly developing deformation, distortion or fatigue of any part;
  - repair of blisters, laminations, flaws or grooving even when accompanied by leakage;
  - repairs to valves, fittings, glands, joints, gaskets, pipes, lines and connections which are defective or leaking;
  - repairs to shaft keys requiring tightening, fitting or renewal;
  - Damage caused by the movement of foundations, masonry or brickwork; or
  - removal or installation of underground pumps and well casings **but excluding** submersible pumps unless specifically stated in the Schedule.

c. Breakdown to any Insured Item being moved if the Breakdown is caused by dual lifting;

d. anything to the extent You are entitled to recover the costs of labour or parts under a maintenance agreement, warranty, guarantee or indemnity in Your favour by the manufacturer of the relevant item or any other person or entity; or

e. Consequential Loss of any kind.

Part B – Electronic Equipment

Part B – Electronic Equipment forms part of the Cover provided under this Section only if stated in the Schedule.

What is Covered

We will Cover You for costs necessarily and reasonably incurred to repair or replace Electronic Equipment Covered as Unspecified Electronic Equipment or Specified Items following Breakdown which occurs during the Period of Cover whilst the Insured Item is:

a. working or at rest;

b. being dismantled or moved for the purpose of cleaning, inspection, overhaul, repair or relocation or during such

Section - Machinery and Electronic Equipment Breakdown (continued)

operations themselves or whilst being subsequently re-erected at the Location of Risk; or

c. being moved to or from any service contractor away from the Business Premises but within Australia.

What is Not Covered

The following exclusions apply to Part B of this Section.

Refer to:

> 'What is Not Covered - Applicable to all of this Section' for exclusions that apply to both Part A and Part B of this Section

> Exclusions for other exclusions that apply to all claims under this Policy.

We will not Cover You under this Part B for:

a. Damage to Electronic Data or for Loss or Damage to Electronic Data media;

b. Breakdown of Electronic Equipment or any part of Electronic Equipment where the Breakdown occurs prior to or until after the completion of successful initial testing and commissioning of the Electronic Equipment or any of its parts;

c. Breakdown caused by atmospheric conditions, moisture or change in temperature unless directly resulting from Damage to or malfunction of an Insured Item of air conditioning equipment;

d. the cost of:

   > replacement of expendable items such as batteries, valves, x-ray and picture tubes, belts, chains, tapes, cards, ribbons, filters, tubes, electric heating elements or electrical contacts; or

   > replacement of component parts worn through normal use or operation;

   unless these costs are necessary as part of the rectification of Breakdown not otherwise excluded under this Part B;

e. the cost of:

   > maintenance work;

   > alterations, additions, improvements or overhauls whether carried out in the course of repairs or as a separate operation;

   > replacement or repair following gradual deterioration, rust, corrosion, erosion, oxidation or scale formation;

   > repairs of scratches to painted or polished surfaces unless resulting from Breakdown; or

   > anything to the extent You are entitled to recover the costs of labour or parts under a maintenance agreement or warranty, guarantee or indemnity in Your favour by the manufacturer of the relevant Insured Item or any other person or entity;

f. Breakdown caused by Computer Viruses or other disruptive programming techniques; or

g. Consequential Loss of any kind.

What is Not Covered - Applicable to all of this Section

The following exclusions apply to this Section.

Refer to Exclusions for exclusions that apply to all claims under this Policy.

We will not Cover You for any claim under this Section for Damage directly or indirectly arising out of or in any way connected with:

a. chemical explosion other than explosion of flue gas in a Boiler; or

b. movement of foundations caused or contributed to by:

   > vibration, heaving, creeping, shrinking, settling, or expansion of foundations or supports of Business Property;

   > erosion, subsidence or earth movement unless caused suddenly by any cause Covered under this Section; or

   > collapse of Business Property unless caused suddenly by any cause Covered under this Section;

c. intentional or malicious damage; or

d. the carrying out of tests involving abnormal stresses, including the intentional overloading of any Insured Item.

Cover Available Under Other Sections of this Policy

We will not Cover You under this Section for any Loss or Damage to Equipment which is or could be Covered under:

> Section – Business Property;

> Section – General Property; or

> Section – Theft;

whether or not Cover for those Sections are stated in the Schedule.

Basis of Settlement - Part A and Part B

In the event of Breakdown Covered under this Section to an Insured Item of Machinery or Electronic Equipment We will:

a. pay the reasonable cost of repair or replacement necessary to return the Insured Item to its former state; or

Section - Machinery and Electronic Equipment Breakdown (continued)

b. by agreement with You pay You the Indemnity Value of the Insured Item of Machinery or Electronic Equipment at the time of the Breakdown.

When We pay the reasonable cost of repair or replacement necessary to return the Insured Item to its former state of operation We will also include:

c. the cost of dismantling, re-erection, cleaning up and removal of debris;

d. charges for overtime and work on public holidays where necessarily and reasonably incurred;

e. freight within Australia by any recognised scheduled service;

f. overseas freight by any recognised scheduled service and/or overseas labour;

g. the on-site cost of parts including the replacement of refrigerant lost from an Insured Item as a result of the Breakdown;

h. the cost of temporary repairs and/or hire of a temporary replacement item during the time taken to repair Breakdown to any Insured Item; and

i. any customs duties and dues:

Provided that:

i. Our maximum liability for the total of all costs in clauses b., c., d. and e above will be limited to fifty (50%) per cent of the normal cost of repair payable in respect of the Insured Item Covered under Part A or Part B of this Section;

ii. in respect of Electronic Equipment Covered under Part B of this Section no deduction will be made for depreciation of parts replaced except for:

> valves;

> tubes (including picture and x-ray tubes); and

> light sources;

for which We will deduct a proportion of the replacement cost of these items being the proportion which the period of use up to the time of failure bears to the normal service life expected by the manufacturer or supplier;

iii. any Insured Item of Machinery or Electronic Equipment affected by Breakdown which can be repaired must be repaired however should the item be uneconomical to repair due solely to the nature of the Breakdown Our liability will be limited to:

> the cost of replacement of the Insured Item by an item of similar function, type, capacity and quality in a condition equal to, but not better than, the condition of the Insured Item when new; or

> the Sum Insured stated in the Schedule for the Insured Item;

whichever is the lesser amount;

iv. We shall not be required to replace the Insured Item exactly, but only as circumstances permit;

v. The value of any salvage of any Insured Item will be deducted from any amount payable under this Section; and

vi. The amount of each claim payable under either of Part A or Part B of this Section shall be reduced by the amount of the Excess stated in the Schedule.

Our maximum liability under this Section for any one claim will be limited to the Sum Insured stated in the Schedule for:

Part A – Machinery

a. Unspecified Machinery; or

b. Specified Items;

Part B – Electronic Equipment

a. Unspecified Electronic Equipment; or

b. Specified Items.

Additional Benefits

We will, subject to all of the provisions of this Policy, Cover You in relation to the following additional benefits.

Our liability will be limited to the amount stated in the relevant additional benefit or, if no amount is stated, the applicable sub-limit, Sum Insured or Limit of Liability amount stated in the Schedule.

Additional Items

If You hire or purchase and commission at Your Business Premises any items similar to items already Covered under this Section We will Cover those items under this Section in respect of the same Cover as for similar items already Covered under this Section:

Provided that:

a. You give Us written notice within ninety (90) consecutive days of the hire or purchase and commissioning of the item(s) and pay the appropriate additional Premium as We may require;

b. without Our prior written consent We will only Cover any additional items for a period:

> to the next expiry date of the Period of Cover; or

> not exceeding ninety (90) consecutive days from the date of their hire or purchase and commissioning;

whichever is the earlier date;

c. the items are, as far as You are aware, suitable for service, free from material defect and in sound working condition; and

Section - Machinery and Electronic Equipment Breakdown (continued)

d. the Sum Insured and Excess stated in the Schedule will be the same for those additional items as for similar items already Covered under this Section.

We will not Cover any items until they have been successfully commissioned and all relevant statutory provisions for inspection and certification have been fulfilled.

Claims Preparation Costs

When We agree to Cover You for a claim under this Section, We will also Cover You for professional fees and other expenses necessarily and reasonably incurred by You, with Our prior consent and which are not otherwise recoverable, to produce any information or evidence We may require to support Your claim under this Section.

Our maximum liability under this additional benefit for any one claim will be limited to $25,000.

If You are also Covered under any other Section of this Policy in respect of additional benefit – 'Claims Preparation Costs', Our maximum liability for 'Claims Preparation Costs' under this Policy, arising from the one event or cause, will not be cumulative and will be limited to the highest single monetary limit for this additional benefit under the relevant Sections.

Inflation Protection

The Sum Insured on items of Machinery and Electronic Equipment shall at the time of any Breakdown for which We pay a claim under this Section be increased according to the government published Consumer Price Index by the proportion which the number of days since the commencement of the Period of Cover shall bear to the whole of the Period of Cover.

Professional Fees

We will cover You for the cost of consulting engineers fees (excluding fees or expenses for preparing a claim under this Section) necessarily and reasonably incurred by You with Our prior written consent to reinstate, repair or replace Machinery or Electronic Equipment which have been affected by Breakdown.

Where the Sum Insured is exhausted by the payment of a claim under this Section We will pay an additional amount not exceeding $5,000 in respect of this additional benefit.

Conditions - Applicable to all of this Section

If You or any other person or party Covered under this Policy do not comply with these conditions, to the extent permitted by the Insurance Contracts Act 1984 (Cth):

> **We may cancel this Policy;** or

> to the extent Our interests have been harmed by the non-compliance, We may **reduce any claim payment** or **refuse to pay any claim** under this Policy.

Alteration of Risk

You must notify Us in writing of any intended alterations of, or departure from, normal working conditions that You could reasonably be expected to know would increase the risk of Damage to Insured Items.

Cessation of Cover Following Loss or Damage

The Cover provided under this Section will cease for any Insured Item which has sustained Damage and is then operated unless it has been repaired properly and without delay.

Due Care

Nothing contained in this Section or in any other provision of this Policy will relieve You of any obligation to take reasonable steps to ensure that the operation of the Insured Items is at all times carried out so as to minimise the risk of any claim being made under this Policy.

Newly Installed Items

At the end of each Period of Cover You will furnish Us with details of any items newly installed or items which have been deleted from Your Business' books of account during the Period of Cover.

Any additional or return Premium will be calculated corresponding to the type and value of the additional or deleted item and the Period of Cover from the time of completion of the successful commissioning of the additional item or date of disposal of the deleted item.

Our maximum liability for all additional items will not exceed a cost greater than fifty per cent (50%) of the total Sum Insured for all Insured Items as stated in the Schedule.

Claim Conditions – Applicable to all of this Section

If You or any other person or party Covered under this Policy do not comply with these conditions, to the extent permitted by the Insurance Contracts Act 1984 (Cth):

> **We may cancel this Policy;** or

> to the extent Our interests have been harmed by the non-compliance, We may **reduce any claim payment** or **refuse to pay any claim** under this Policy.

Section - Machinery and Electronic Equipment Breakdown (continued)

Obsolete or Unavailable Components or Parts

Where components, parts or manufacturer's specifications are obsolete or no longer available the Basis of Settlement will be the cost price at the time the component, part or manufacturer's specification was last available, adjusted by an amount We estimate to reflect general inflationary costs since that time.

Repair Procedure

Upon notification of any Loss or Damage being given to Us You may carry out repairs or make good any minor damage but in all other cases You are required to give Us or Our representative an opportunity to inspect the Loss or Damage before any repairs or alterations are effected.

If no inspection is carried out by Us or on Our behalf within a period of time which is reasonable having regard to the Location of the Risk, weather conditions and/or other relevant factors You may proceed with the repairs or replacement.

Preservation of Damaged Parts

In the event of any Breakdown that may give rise to a claim under this Section You are required to preserve the parts affected and make them available for inspection by Us or Our representative.

Section - Glass

Section – Glass forms part of this Policy only if stated in the Schedule.

Definitions

The following definitions apply wherever the relevant words or terms appear in this Policy for the purposes of determining the Cover that is available under this Section.

Refer to Definitions for words or terms not specifically defined in this Section.

Breakage, Broken

means a fracture extending through the entire thickness of the Glass but not any other damage or disfiguration.

Glass

means External Glass and Internal Glass defined as:

External Glass

fixed glass, porcelain and perspex or plastic material used in external windows, skylights and doors and external Signs forming part of the Buildings at the Business Premises; and

Internal Glass

fixed glass, porcelain and perspex or plastic material used in internal windows, internal doors, partitions, counters, shelves, showcases, display cabinets, mirrors (other than hand mirrors), sinks, wash basins and sanitary ware and Signs whilst within the Buildings at the Business Premises.

Signs

means glass, plastic or perspex material that forms part of a sign, including illuminated signs.

What is Covered

We will Cover You for the replacement of:

a. External Glass where External Glass is Covered under this Section; and/or

b. Internal Glass where Internal Glass is Covered under this Section;

owned by You or for which You are legally responsible and which suffers Breakage which occurs at the Business Premises during the Period of Cover.

We will also Cover You for malicious Damage to External Glass even where there is no Breakage of External Glass.

What is Not Covered

The following exclusions apply to this Section.

Refer to Exclusions for exclusions that apply to all claims under this Policy.

We will not Cover You for Breakage:

a. caused by or arising from:
   - earthquake, subterranean fire or volcanic eruption;
   - fire, lightning, explosion or implosion;
   - impact by Vehicles, animals, Aircraft or articles dropped from an Aircraft; or
   - water, wind, hail, storm, cyclone, rainwater;

b. Flood unless optional additional benefit – 'Flood Cover' is specifically stated in the Schedule as being Covered under this Policy under Section - Business Property;

c. of Glass forming part of any glasshouse, conservatory, radio, television screen or computer screen;

d. of Glass while in Transit;

e. of Glass while being fitted into fittings or removed from its fittings; or

f. of Glass which is chipped, scratched or in poor condition when the Period of Cover commences;

g. of imperfect Glass; or

h. of portable or hand-held glassware, crystal, crockery, porcelain or china.

We will not Cover You under this Section for Consequential Loss of any kind.

Basis of Settlement

We will, at Our option:

a. replace the Broken Glass, including the cost of installation, with glass of the same type and quality as that which was Broken or, if required, to the higher minimum specifications required to comply with the current standards published by Standards Association of Australia or by any legislation in Australia; or

b. pay the cost of replacing the Broken Glass including the cost of installation; or

c. replace or repair External Glass which has been Damaged by a malicious act.

Section - Glass (continued)

External Glass

When External Glass is Covered under this Section We will also Cover You for the costs of:

a. replacing sign writing, ornamentation, burglar alarm tapes or wiring, shatter resistant or reflective film and sun filtering film that was affixed to the Broken Glass;

b. temporary shuttering, boarding-up or other protection reasonably necessary for the safeguarding and security of the Business Premises or Business Contents pending replacement of the Broken Glass;

c. removing and refitting fixtures and fittings to allow access for re-glazing; and

d. repairing or replacing damaged window frames, door frames and tiled shop fronts and frames for Signs;

which have become necessary as a result of the Breakage of the Glass.

Internal Glass

When Internal Glass is Covered under this Section We will also Cover You for the costs of repairing or replacing frames for counters, showcases, display cabinets and internal Signs that become necessary as a result of the Breakage of the Glass.

We will also pay the necessary and reasonable costs for after-hours and overtime service by repairers, express delivery and overtime charges to repair or replace Broken Glass or Signs.

Additional Benefits

We will, subject to all of the provisions of this Policy, Cover You in relation to the following additional benefits.

Our liability will be limited to the amount stated in the relevant additional benefit or, if no amount is stated, the applicable sub-limit, Sum Insured or Limit of Liability amount stated in the Schedule.

Claims Preparation Costs

When We agree to Cover You for a claim under this Section, We will also Cover You for professional fees and other expenses necessarily and reasonably incurred by You, with Our prior consent and which are not otherwise recoverable, to produce any information or evidence We may require to support Your claim under this Section.

Our maximum liability under this additional benefit for any one claim will be limited to $25,000.

If You are also Covered under any other Section of this Policy in respect of additional benefit – 'Claims Preparation Costs', Our maximum liability for 'Claims Preparation Costs' under this Policy, arising from the one event or cause, will not be cumulative and will be limited to the highest single monetary limit for this additional benefit under the relevant Sections.

Damage to Business Contents

We will Cover You for Damage to Business Contents caused by Broken Glass following the Breakage of Glass where the breakage constitutes a claim under this Section:

but only when Business Contents are Covered under Section – Business Property of this Policy.

Our maximum liability under this additional benefit for all Claims in the aggregate during the Period of Cover will be limited to the Business Contents Sum Insured stated in the Schedule for Section - Business Property.

Section - General Property

Section – General Property forms part of this Policy only if stated in the Schedule.

What is Covered

When the Schedule states 'Cover Restricted to Fire, Theft, Collision and Other Perils... No' the Cover provided under this Section will be:

> Cover A – Standard Cover:

otherwise, the Cover provided under this Section will be:

> Cover B – Goods in Transit.

Cover A – Standard Cover

We will Cover You for loss of or Damage to:

> Unspecified Business Contents; or

> Specified Items;

while:

a. in the normal course of Transit anywhere in Australia by a Vehicle owned or operated by You; or

b. away from the Business Premises anywhere in Australia;

and which occurs during the Period of Cover.

Cover B – Goods in Transit

We will Cover You for loss of or Damage to:

> Unspecified Business Contents; or

> Specified Items:

while in the normal course of Transit anywhere in Australia by a Vehicle owned or operated by You and caused by:

a. collision, overturning or other damage to the conveying Vehicle;

b. fire, lightning, explosion or malicious damage; or

c. theft resulting from actual visible forcible and violent entry to the locked Vehicle or to the locked portion of the Vehicle containing Your Unspecified Business Contents and/or Specified Items;

and which occurs during the Period of Cover.

What is Not Covered

The following exclusions apply to this Section.

Refer to Exclusions for exclusions that apply to all claims under this Policy.

We will not Cover You under this Section for loss of or Damage to:

a. Business Contents or Specified Items at the Business Premises;

b. Business Contents or Specified Items whilst at any alternative premises for which Cover is provided under either of Section – Business Property or Section – Theft;

c. Business Contents or Specified Items which are or could be Covered under any other Section of this Policy;

d. Business Contents or Specified Items in the custody or possession of a professional carrier or a common carrier;

e. Business Contents or Specified Items from a Vehicle which is not securely locked unless the Vehicle is situated within securely locked premises at the time the loss or Damage occurs;

f. cigarettes, tobacco, wines, spirits or other tobacco products or alcoholic beverages;

g. Equipment following Breakdown as defined and Covered or which could be Covered under Section – Machinery and Electronic Equipment Breakdown;

h. jewellery, watches, furs, antiques, paintings, works of art, precious metals or precious stones or articles composed of any of them;

i. livestock;

j. Money; or

k. Vehicles.

We will not Cover You under this Section for loss or Damage caused by or arising from:

a. theft by any of Your Employees whether acting alone or in collusion with others; or

b. faulty materials or faulty workmanship:

   Provided that:

   this clause b. shall only apply to the part first and immediately affected and does not extend to subsequent Damage to other parts of the Business Property occasioned by a cause which is not otherwise excluded under this Policy;

c. Business Property not being used by You in accordance with the manufacturer's instructions;

d. Business Property being constructed, erected, altered, manufactured, cleaned or repaired;

e. Business Property inventory shortage or disappearance arising from accounting or clerical errors;

f. explosives, petroleum products or gas of any kind;

g. delay in delivery or loss of market;

Section - General Property (continued)

h. collision or contact by the conveying Vehicle with roadway curbing, road humps, traffic islands and similar protuberances or uneven road surfaces; or

i. shortage in the supply or delivery of Business Property to You.

Wear, Tear or Inherent Defect

We will not Cover You under this Section for loss of or Damage to Business Property caused by or arising from:

a. change of colour or change in flavour, texture or finish;

b. gradual deterioration, wear and tear, normal up-keeping or making good;

c. inherent defect or inherent vice;

d. loss of weight or loss of volume;

e. rust, corrosion, oxidation, erosion, scale formation, dampness, mould, mildew, rotting, disease, Pollutants or industrial fallout, contamination, wet or dry rot, fading, flaws, scratching, marring or stain;

f. variations in temperature, variation in humidity or variation in controlled atmosphere or evaporation: or

g. vermin or moths, termites and other insects, mice, rats or birds, including eating, chewing, clawing or pecking by them.

This exclusion will not apply to subsequent loss of or Damage to Your Business Property occasioned by any cause referred to in clauses a. to g. of this exclusion.

We will not Cover You for:

a. legal liability of any nature; or

b. Consequential Loss of any kind other than as Covered under Section – Business Interruption.

Basis of Settlement - Cover A - Standard Cover

We will, at Our option:

a. repair or replace Your lost or Damaged Business Contents or Specified Items to a condition equal to but not better or more extensive than its/their condition when new; or

b. replace the Business Contents or Specified Items with a new item that has the same features or that are nearly the same as (but not less than) the Business Contents or Specified Items being replaced; or

c. by agreement with You, pay You the Indemnity Value of the Business Contents or Specified Items at the time the loss or Damage occurred.

The amount We will pay to repair or replace the Business Contents or Specified Items will include the necessary and reasonable cost of:

a. transport or freight within Australia by any recognised scheduled service; and

b. charges for overtime and work on weekends and public holidays where necessarily and reasonably incurred:

Provided that:

i. We will not be required to replace exactly any insured item but only so far as circumstances reasonably permit;

ii. the value of any salvage of any property, or parts thereof, will be deducted from any amount payable; and

iii. where parts, components or manufacturer's specifications are unavailable due to an insured item being obsolete or discontinued We will pay the cost which is necessary and reasonable to replace the insured item with another item of the nearest equivalent performance and/or function.

Our maximum liability under Cover A - Standard Cover for any one claim will be limited to the Sum Insured stated in the Schedule for each of:

a. Unspecified Business Contents; and/or

b. Specified Items.

Basis of Settlement - Cover B - Goods in Transit

We will pay the Indemnity Value of the lost or Damaged Business Property.

Our maximum liability under Cover B - Goods in Transit for any one claim will be limited to the any one Conveyance Sum Insured stated in the Schedule.

Additional Benefits

We will, subject to all of the provisions of this Policy, Cover You in relation to the following additional benefits.

Our liability will be limited to the amount stated in the relevant additional benefit or, if no amount is stated, the applicable sub-limit, Sum Insured or Limit of Liability amount stated in the Schedule.

Claims Preparation Costs

When We agree to Cover You for a claim under this Section, We will also Cover You for professional fees and other expenses necessarily and reasonably incurred by You, with Our prior consent and which are not otherwise recoverable, to produce any information or evidence We may require to support Your claim under this Section.

Section - General Property (continued)

Our maximum liability under this additional benefit for any one claim will be limited to $25,000.

If You are also Covered under any other Section of this Policy in respect of additional benefit – 'Claims Preparation Costs', Our maximum liability for ‘Claims Preparation Costs' under this Policy, arising from the one event or cause, will not be cumulative and will be limited to the highest single monetary limit for this additional benefit under the relevant Sections.

Section - Tax Audit

Section – Tax Audit forms part of this Policy only if stated in the Schedule.

Definitions

The following definitions apply wherever the relevant words or terms appear in this Policy for the purposes of determining the Cover that is available under this Section.

Refer to Definitions for words or terms not specifically defined in this Section.

Audit

means:

a. a Record Keeping Audit; or

b. an official examination or inquiry undertaken by an Authority that is authorised to conduct such an examination or inquiry;

in respect of Your Return relating to Your liability to pay income tax, fringe benefits tax, capital gains tax, goods and services tax, payroll tax, superannuation payments tax, termination payments tax, wholesale tax and sales tax.

Authority

means the Australian Taxation Office or any statutory taxation authority or agency of an Australian State or Territory.

Professional Adviser

means:

- a qualified and registered accountant, tax agent or tax consultant; and
- any other professional adviser engaged by any person listed in clause a. above as a consultant in connection with any Audit:

but does not mean You, Your Principal or Employee.

Professional Fees

means the fees, costs and disbursements necessarily and reasonably incurred in respect of an Audit that would be payable by You to any Professional Adviser for work undertaken in respect of that Audit:

but does not include fees, costs, expenses or other amounts that:

- form part of an annual or fixed fee or cost arrangement;
- are ordinarily associated with the preparation of Your Returns, accounts, taxation or financial records;
- are a fine, penalty, tax or duty in nature; or
- are sought under an amended notice of assessment issued by an Authority.

Record Keeping Audit

means any inquiry or investigation by an Authority aimed at determining the extent of Your compliance with the record keeping requirements of relevant taxation legislation.

Return

means any documentation legally required to be lodged with an Authority.

What is Covered

We will Cover You in respect of Your liability to pay Professional Fees that You necessarily and reasonably incur with Our prior written consent in connection with an Audit of Your Business conducted by an Authority:

Provided that:

a. notification of the Audit is first given to You during the Period of Cover and You notify Us of the Audit during the Period of Cover; and

b. the Audit arises out of the normal conduct of Your Business.

What is Not Covered

The following exclusions apply to this Section.

Refer to Exclusions for exclusions that apply to all claims under this Policy.

We will not Cover You for Professional Fees arising from:

i. an Audit or impending Audit of which You had notice prior to the Period of Cover or after the expiry of the Period of Cover;

ii. a Return lodged outside of Australia;

iii. a Return prepared for or by any natural person, partnership, corporation or other legal entity that ordinarily resides and/or operates outside of Australia;

iv. any legal proceedings or action taken against You or instituted by You;

v. any actual or alleged reckless, dishonest, fraudulent, criminal or malicious act or omission committed by You or on Your behalf;

vi. any routine enquiries, or enquiries from an Authority that are not preliminary to or related to an Audit of Your Return;

vii. an Audit in respect of a Return that was not prepared or reviewed by a Professional Adviser prior to it being lodged with an Authority;

Section - Tax Audit (continued)

viii. Your appointment of a Professional Adviser or of Professional Fees You incurred after notification of an Audit to Us without Our prior approval;

ix. an Audit in respect of Your failure or delay in submitting a Return;

x. an Audit relating to Your participation in any tax avoidance or tax minimisation scheme or arrangement unless the scheme or arrangement has received a prior favourable product ruling from the relevant government agency;

xi. an Audit conducted specifically for the purpose of determining if any fine, penalty or prosecution action should be imposed in connection with any act or omission by You in relation to Your statutory obligation to pay tax; or

xii. work performed after completion of the Audit.

Basis of Settlement

We will pay the amount of the Professional Fees incurred.

Our maximum liability under this Section for any one Audit and all Audits in the aggregate during the Period of Cover will be limited to the Limit of Liability any one Audit and in the aggregate amount stated in the Schedule.

Conditions - Applicable to all of this Section

If You or any other person or party Covered under this Policy do not comply with these conditions, to the extent permitted by the Insurance Contracts Act 1984 (Cth):

- **We may cancel this Policy;** or
- to the extent Our interests have been harmed by the non-compliance, We may **reduce any claim payment** or **refuse to pay any claim** under this Policy.

Appointment of and Fees for Your Professional Adviser

We will only provide Cover for Professional Fees incurred with Our prior written consent:

Provided that:

a. We reserve Our right at all times to cease paying where there are no longer any reasonable grounds for You to refuse to accept the findings of an Audit;

b. at all times the Professional Adviser will be appointed in Your name and You will be responsible for the payment of the Professional Fees incurred; and

c. You are required to forward copies of invoices or accounts for any Professional Fees incurred with Our prior written consent to Us.

Access to Your Professional Adviser

We will be entitled to have direct access to Your Professional Adviser at all times and You are required to cooperate fully with Us and keep Us fully informed of all material developments regarding the Audit.

We will be entitled to request You to instruct Your Professional Adviser to provide directly to Us any documents, information and advice that We may reasonably require to determine what, if any, obligation We have to Cover You under this Section.

If We make such a request We will pay for the costs incurred in having Your Professional Adviser provide that information.

You must not unreasonably refuse to accept the advice of Your Professional Adviser in respect of making or accepting an offer to settle or discontinue the Audit.

Your Cooperation

You are required to use due diligence and take all reasonably practicable steps to avoid or diminish Our liability under this Section and give all assistance to Your Professional Adviser and to Us as may reasonably be required to enable Your Professional Adviser to advise You and to enable Us to determine Our liability under this Section.

Section - Public and Products Liability (claims occurring)

Section – Public and Products Liability forms part of this Policy only if stated in the Schedule.

Definitions

The following definitions apply wherever the relevant words or terms appear in this Policy for the purposes of determining the Cover that is available under this Section.

Refer to Definitions for words or terms not specifically defined in this Section.

Abuse and/or Molestation

means any:

> assault;

> discrimination or interference;

> harassment;

> molestation; or

> physical or mental abuse;

whether sexual or otherwise, of any person.

Advertising Liability

means any:

a. infringement of copyright, passing off of a title or slogan;

b. invasion of privacy;

c. libel, slander or defamation; or

d. piracy or misappropriation of advertising ideas or style of doing business;

arising from any advertisement in the course of advertising activities for Your Business.

Business

means all the activities involved in Your business stated in the Schedule and conducted by You at and from the Business Premises including:

a. canteen, social club, social sports, welfare, child care, first aid or medical care, fire and emergency services provided for the benefit of Your Employees; or

b. private work undertaken by Your Employees for any of Your directors or senior executives.

Claim

means:

a. a writ, statement of claim, summons, application or other originating legal or arbitral process, cross claim, counterclaim, or third or similar party notice served on You seeking compensatory damages and costs; or

b. a written or verbal demand for compensatory damages and costs made by a third party against You.

Good Samaritan Acts

means the rendering of or failure to render first aid and assistance in an emergency situation or accident to stabilise an injured person or to prepare the injured person for transfer to a medical facility or other place and where You are in attendance as a bystander or passer-by and where there is no expectation of payment or other reward for the rendering of that first aid or assistance.

Incidental Contract

means:

a. any written rental agreement, lease or licence of real property not requiring an obligation to insure property or to be liable at law regardless of fault; or

b. any written contract with any party responsible for the supply of electricity, fuel, gas, water, sewerage, waste removal services or telecommunications other than those contracts in connection with work done for those entities by You.

Occurrence

means an event or series of events which results in Bodily Injury, Property Damage or Advertising Liability You do not expect or intend.

All Bodily Injury or Property Damage arising out of continuous or repeated exposure to substantially similar general conditions will be treated as one Occurrence.

All Advertising Liability arising out of the same material or act regardless of any repetition or the number and kind of media used and/or the number of claimants involved will be treated as one Occurrence.

Products Liability

means the Cover under this Policy for Your legal liability to pay compensation arising from, or connected with, Your Products:

but does not include Public Liability.

Property Damage

means:

a. physical damage to or loss of or destruction of real or tangible property including any resulting loss of use of that property; or

Section - Public and Products Liability (continued)

b. loss of use of real or tangible property that has not been physically damaged, lost or destroyed provided the loss of use is caused by an Occurrence:

but does not include damage to or destruction of or loss of use of Electronic Data.

In the event of a Claim arising from latent damage or from the exposure of tangible property to gradual deterioration and eventual damage, the Property Damage will be deemed to have occurred on the day the deterioration or damage was first discovered.

Public Liability

means Cover under this Policy for Your legal liability to pay compensation arising from, or connected with, Your Business:

but does not include Products Liability.

Territorial Limits

means the Territorial Limitation stated in the Schedule and subject to exclusion 'Jurisdiction and Territorial Limits':

but does not mean those countries, states or territories that require insurance to be provided by an insurer or organisation licensed in that country, state or territory to provide insurance.

Tool of Trade

means any Vehicle that has any tool or plant forming part of or attached to the Vehicle or used in connection with any Vehicle while that tool or plant is in operation for the purpose of the Business.

You, Your, Insured

means:

a. the person stated in the Schedule as the Insured; and/or

b. the legal entity stated in the Schedule as the Insured including all of its:

  - current or former partners, Principals, directors, officers and Employees or volunteers while such persons are acting on Your behalf;
  - prior corporate entities through which it has previously traded;
  - Subsidiary Companies which were in existence at the commencement of the Period of Cover; and

c. any principal (other than a Principal of the entity stated in the Schedule as the Insured) in respect of that principal's vicarious liability for the acts, errors, omissions or conduct of any person or entity stated in the Schedule as the Insured in the performance by them of work for that principal under contract **but only to the extent** of the Cover and Limit of Liability provided under this Policy.

Your Products

means any goods:

- delivered;
- distributed;
- sold; or
- supplied;

by You in the normal course of Your Business after they have ceased to be in Your possession or legal control:

but does not include goods manufactured or wholesaled by You

What is Covered

Public Liability

We will Cover You for Your legal liability in respect of any Claim to pay compensation for:

a. Bodily Injury;

b. Property Damage; or

c. Advertising Liability;

happening during the Period of Cover as a result of an Occurrence within the Territorial Limits in connection with Your Business.

We will not Cover You under Public Liability for any:

- Bodily Injury;
- Property Damage; or
- Advertising Liability;

which is Covered or could be Covered under Products Liability.

Products Liability

We will Cover You for Your legal liability in respect of any Claim to pay compensation for:

a. Bodily Injury;

b. Property Damage; or

c. Advertising Liability;

happening during the Period of Cover as a result of an Occurrence within the Territorial Limits in connection with Your Products.

We will not Cover You under Products Liability for any:

- Bodily Injury;
- Property Damage; or
- Advertising Liability;

Section - Public and Products Liability (continued)

which is Covered or could be Covered under Public Liability.

Defence Costs

Where We agree to provide Cover to You for a Claim under this Section We will also pay, in addition to the Limit of Liability, the following amounts in respect of that Claim:

a. all Defence Costs;

b. legal costs awarded against You and any interest accruing after entry of legal judgment but before We have paid or deposited into court that part of any legal judgment which does not exceed the Limit of Liability;

c. all reasonable expenses necessarily incurred by You for rendering first aid to others at the time of Bodily Injury:

   but excluding medical expenses We are prohibited by law from paying;

d. all reasonable expenses necessarily incurred by You for the temporary repairs, shoring up or protection of property of others that has been damaged as a result of an Occurrence; and

e. all reasonable Defence Costs incurred by You for Your representation in any coroner's court or court of summary jurisdiction.

Limit of Liability

Public Liability

Our maximum liability under this Section for Public Liability in respect of any one Claim will be limited to the Public Liability Limit of Liability any one Claim amount stated in the Schedule.

The Limit of Liability amount for Public Liability **is exclusive of Defence Costs** payable under this Section:

Provided that:

a. if a payment exceeding the Limit of Liability for Public Liability has to be made to settle or dispose of a Claim Our liability to pay any amounts under Defence Costs will be limited to that proportion of the total of those Defence Costs amounts as the Limit of Liability bears to the total amount paid to dispose of the Claim; and

b. the Limit of Liability amount for Public Liability will not be reduced by the Excess amount payable by You.

We will not be liable to defend or to continue to defend any Claim or pay or continue to pay any Defence Costs associated with that defence once the Limit of Liability amount has been exhausted.

Products Liability

Our maximum liability under this Section for Products Liability in respect of:

a. any one Claim will be limited to the Products Liability Limit of Liability any one Claim amount stated in the Schedule; and

b. all Claims in the aggregate during the Period of Cover will be limited to the Products Liability Limit of Liability in the aggregate any one Period of Cover amount stated in the Schedule or where applicable to the sub-limit stated in the Schedule for any specific Cover under this Section.

The Limit of Liability amount for Products Liability **is exclusive of Defence Costs** payable under this Section:

Provided that:

c. if a payment exceeding the Limit of Liability for Products Liability has to be made to settle or dispose of a Claim Our liability to pay any amounts under Defence Costs will be limited to that proportion of the total of those Defence Costs amounts as the Limit of Liability bears to the total amount paid to dispose of the Claim; and

d. the Limit of Liability amount for Products Liability will not be reduced by the Excess amount payable by You.

We will not be liable to defend or to continue to defend any Claim or pay or continue to pay any Defence Costs associated with that defence once the Limit of Liability amount has been exhausted.

What is Not Covered

The following exclusions apply to this Section.

Refer to Exclusions for exclusions that apply to all claims under this Policy.

We will not Cover You or any other person or entity entitled to Cover under this Section for any claim under this Section for, directly or indirectly arising out of, or in any way connected with:

Abuse and/or Molestation

any actual or alleged Abuse and/or Molestation.

Advertising Liability

Advertising Liability arising from:

i. a failure of Your Products or services to conform with advertised durability, fitness, performance or quality;

ii. any incorrect description of the price of Your Products, goods or services;

iii. breach of contract other than inadvertent misappropriation of advertising ideas;

iv. infringement of a trademark, service mark or trade name on any of Your Products, goods or services sold, offered for sale or advertised:

Section - Public and Products Liability (continued)

but does not include infringement of titles or slogans;

v. statements made by You or at Your direction with knowledge that those statements are deceptive, false, misleading or incorrect; or

vi. Your advertising, broadcasting, publishing or telecasting activities where Your Business is that of advertising, broadcasting, publishing or telecasting.

Asbestos

the existence or presence of asbestos in whatever form or quantity.

Contractual Liability

any liability assumed, waived or limited:

a. under any agreement, contract, guarantee, indemnity or warranty unless the liability would have attached to You regardless of the existence of the agreement, contract, guarantee, indemnity or warranty; and/or

b. that is outside the normal course of Your conduct of Your Business:

This exclusion will not apply when the liability:

i. is assumed under any statutory guarantee of fitness or quality regarding Your Products as required by any legislation in Australia in respect of product safety;

ii. has been specifically agreed to by Us and stated in the Schedule; or

iii. in respect of Public Liability only, is assumed under any Incidental Contract.

Contract Works

any alteration, renovation or addition work to or of any buildings or structure by You or on Your behalf if the total contract price or estimated commercial value of that work exceeds $500,000.

Cyber Event

any actual or alleged Cyber Event.

This exclusion will not apply to any claim for, directly or indirectly arising out of or in any way connected with, Property Damage to any Computer arising from a Cyber Incident.

Defamation, Libel, Slander

the publication or utterance of a libellous, slanderous or defamatory remark:

i. made prior to the Period of Cover;

ii. made by You or at Your direction and/or with knowledge of its falsity; or

iii. related to advertising, broadcasting, publishing, telecasting activities or online social media activities conducted by You or on Your behalf.

Employer's Liability

a. Bodily Injury to any Employee arising out of or sustained in the course of their employment with You;

b. Bodily Injury to any individual who is deemed to be Your Employee by any workers' compensation legislation or similar law or who is deemed to be Your Employee at common law;

c. Bodily Injury to an Employee that You are indemnified for or entitled to be indemnified for under any policy of insurance or self-insurance licence arrangement required by any workers' compensation legislation or accident compensation legislation, whether or not You are a party to the policy;

d. liability imposed by the provisions of any workers' compensation legislation; or

e. liability imposed by the provisions of any industrial award, agreement or determination.

Employment Practices Liability

any:

a. defamation, demotion, denial of natural justice, discrimination;

b. failure to promote or hire;

c. harassment of any kind;

d. misleading or deceptive representation, misstatement; or

e. wrongful or unfair dismissal;

relating to or in respect of the employment or prospective employment of any person by You.

Error in Design

an error or omission in design, plan or specifications or failure of design in Your Products.

Faulty Workmanship

the cost of:

> correcting, rectifying, completing;

> improving;

> performing or re-performing:

any work undertaken by You or on Your behalf.

Section - Public and Products Liability (continued)

Loss of Use

loss of use of real or tangible property that has not been physically damaged, destroyed or lost as a result of:

i. a delay in or lack of performance by You or on Your behalf of any contract or agreement; or

ii. the failure of Your Products to meet the level of performance, quality, fitness or durability warranted or represented by You.

Clause ii. of this exclusion will not apply to loss of use of other real or tangible property not being Your Products resulting from sudden and accidental physical loss, destruction of or damage to any of Your Products after Your Products have been put to use by any person or organisation other than You.

Manufacturing Activities

any Bodily Injury, Property Damage or Advertising Liability directly or indirectly related to any of Your Products or goods manufactured or wholesaled by You.

Pollution and/or Contamination

a. the actual or threatened discharge, dispersal, release, seepage, migration or escape of any Pollutant or harmful substance into or upon any property, land, watercourse, body of water or the atmosphere;

b. costs and expenses incurred in the prevention, removal, nullifying or clean-up of contamination or Pollutants or harmful substances caused by pollution into or upon any property, land, watercourse, body of water or the atmosphere; or

c. the actual or threatened discharge, dispersal, release, seepage, migration or escape of any contamination, Pollutant or harmful substance occurring in the United States of America, Canada or any other territory coming within or subject to the jurisdiction of the courts of the United States of America or Canada:

Provided that:

i. clauses a. and b. above will not apply if the discharge, dispersal, release or escape of any contamination, Pollutant or harmful substance was sudden, identifiable, unexpected and unintended and took place in its entirety at a specific time and place; and

ii. in those circumstances Our maximum liability in connection with Pollutants or harmful substances for any one Claim and all Claims in the aggregate during the Period of Cover will be limited to the Public Liability Limit of Liability amount stated in the Schedule or the Products Liability Limit of Liability amount stated in the Schedule.

We will not Cover You for more than one Limit of Liability for all such Claims.

Product Defect

damage to Your Products if the damage arises from:

a. any defect contained within Your Products;

b. Your Products' harmful nature or unsuitability for intended purpose; or

c. Your Products' inherent ineffectiveness.

This exclusion will not apply to any resultant damage to third party goods caused by Your Products that are found to be defective, harmful, unsuitable or ineffective.

Product Recall

any recall, including but not limited to the withdrawal, inspection, repair, replacement, adjustment, removal, disposal or loss of use of:

a. any goods or products manufactured, sold, supplied or distributed by You; or

b. any of Your Products or any other property of which Your Products form a part if Your Products are recalled or withdrawn from the market or from use because of any known or suspected defect or deficiency in Your Products.

Professional Liability

the rendering of or failure to render professional advice or services or any act, error, omission or conduct connected with the professional advice or service by You.

This exclusion will not apply in respect of Bodily Injury or Property Damage arising from the rendering or failure to render:

i. professional advice or service given without charge by You in the conduct of Your Business; or

ii. Good Samaritan Acts in the course of Your Business.

Property Owners Liability Limitation

any Business or other operation or activity other than that of a Property Owner of the Business Premises as stated in the Schedule.

Property in Care, Custody or Control

any damage to property owned by, leased or rented to You or property in Your physical or legal control.

Vehicle

Your ownership, possession, or use by You of any Vehicle that:

a. is registered or required to be registered under any legislation; and

Section - Public and Products Liability (continued)

b. compulsory liability insurance or statutory indemnity is required by law, whether or not the insurance has been effected or a statutory indemnity provided.

This exclusion will not apply to:

i. Bodily Injury:

- directly or indirectly arising out of or in any way connected with a Vehicle that is not required to be registered and have compulsory third party insurance or similar statutory indemnity under any legislation;
- directly or indirectly arising out of or in any way connected with a Vehicle that is registered under legislation and by legislation is not required to have compulsory third party insurance or similar statutory indemnity and does not have compulsory third party insurance or similar statutory indemnity; or
- if the compulsory liability insurance or statutory indemnity does not provide indemnity and the reason why that indemnity is not provided does not involve a breach by You of legislation relating to Vehicles;

ii. liability caused by or arising out of the delivery or collection of goods to or from any Vehicle or during the loading and unloading of goods to or from any Vehicle;

iii. Property Damage to any Vehicle, or its contents, not belonging to You, leased or hired by You or on loan or rented to You or used by You or on Your behalf or in Your custody or control while within a car park owned or operated by You for no fee or profit; or

iv. Bodily Injury or Property Damage caused by or arising out of the use of any Vehicle including any tool or plant forming part of or attached to or used in connection with any Vehicle whilst being operated by You or on Your behalf as a Tool of Trade.

Vibration, Weakening of Support

Property Damage resulting from:

a. vibration; or

b. removal or weakening of, or interference with, support to land, buildings or any other property.

Additional Benefits

We will, subject to all of the provisions of this Policy, Cover You in relation to the following additional benefits.

Our liability will be limited to the amount stated in the relevant additional benefit or, if no amount is stated, the applicable sub-limit, Sum Insured or Limit of Liability amount stated in the Schedule.

Care, Custody or Control

We will Cover You for Your legal liability to pay compensation arising from any Claim for Property Damage happening during the Period of Cover as a result of an Occurrence within the Territorial Limits to:

a. premises leased or rented by You for the purpose of carrying on Your Business;

b. premises not owned, leased or rented by You, but temporarily occupied by You for the purpose of carrying out work in connection with Your Business;

c. property that You have been working on if the damage arises from the performance of that work;

   but does not include damage to that part of any property that You are or have been working on if the damage arises solely from that work;

d. property belonging to Your directors, Employees, partners, proprietors, visitors or Voluntary Workers;

e. any Vehicle or its contents that are not owned, leased, hired by or to You or used by You or on Your behalf, if it is damaged when in Your physical or legal control while parked within a car park owned or operated by You for no fee or profit; or

f. any other property, being property not described in clauses a. to e. above, not owned, leased or rented by You but in Your temporary physical or legal control.

Our maximum liability under clause f. above for any one Claim and all Claims in the aggregate during the Period of Cover will be limited to the Care, Custody or Control sub-limit stated in the Schedule.

An Excess may apply to this additional benefit. The amount of any applicable Excess is stated in the Schedule.

If there is any conflict between this additional benefit and exclusion – 'Property in Care, Custody or Control', the provisions of this additional benefit will apply to the extent of any inconsistency.

Claims Preparation Costs

When We agree to Cover You for a Claim under this Section We will also Cover You for Your necessary and reasonable out-of-pocket expenses, not including Defence Costs, incurred by You at Our request in the preparation of Your defence to the Claim.

If You are also Covered under any other Section of this Policy in respect of an additional benefit for 'Claims Preparation Costs' Our maximum liability for all additional benefits payable for 'Claims Preparation Costs' under this Policy arising from the one event or cause shall not be cumulative and shall be limited to the highest single monetary limit for this additional benefit under the relevant Sections.

Section - Public and Products Liability (continued)

We will not reimburse You for any loss of earnings, salary or other lost remuneration or associated expenses.

Our maximum liability under this additional benefit for any one Claim and all Claims in the aggregate during the Period of Cover will be limited to $25,000, unless otherwise stated in the Schedule.

An Excess may apply to this additional benefit. The amount of any applicable Excess is stated in the Schedule.

Conferences, Training, Teaching

We will Cover You for Your legal liability to pay compensation in respect of any Claim for:

a. Bodily Injury;

b. Property Damage; or

c. Advertising Liability;

happening during the Period of Cover as a result of an Occurrence within the Territorial Limits, in connection with Your attendance at any professional conference, training or teaching facility in connection with Your Business.

Cover is provided to the same extent as otherwise available to You under this Section and subject to all of the provisions of this Policy.

Cross Liabilities

If 'You' under this Policy includes more than one person or legal entity, We will Cover each separate person or legal entity insured under this Section as if a separate Policy had been issued to each person or legal entity.

Our Limit of Liability in respect of any one claim and for all claims in the aggregate will not be increased by this additional benefit.

Good Samaritan Acts

We will Cover Your legal liability in respect of any Claim as a result of Good Samaritan Acts happening during the Period of Cover in connection with Your Business.

Joint Venture Liability

We will Cover You for Your legal liability to pay compensation arising from any Claim for Bodily Injury, Property Damage or Advertising Liability, happening during the Period of Cover as a result of an Occurrence within the Territorial Limits in connection with, caused by or arising out of Your participation in any joint venture in the conduct of Your Business.

Cover is provided to the same extent as otherwise available to You under this Section and subject to all of the provisions of this Policy.

We will not Cover any of the other joint venture parties.

Vicarious Liability for Agents and Tenants

We will Cover You for Your legal liability to pay compensation arising from any Claim for:

a. Advertising Liability;

b. Bodily Injury; or

c. Property Damage;

happening during the Period of Cover as a result of an Occurrence within the Territorial Limits which arises from Your vicarious liability for the conduct of Your:

- Agents; or
- Tenants.

We will not Cover any Agent or Tenant under this additional benefit for their own liability in respect of a Claim.

Section - Workplace Health and Safety Law Breaches Legal Costs

Section – Workplace Health and Safety Law Breaches Legal Costs forms part of this Policy only if stated in the Schedule.

Definitions

The following definitions apply wherever the relevant words or terms appear in this Policy for the purposes of determining the Cover that is available under this Section.

Refer to Definitions for words or terms not specifically defined in this Section.

Authorised Representative

means a solicitor, barrister, assessor, personal investigator or other person appointed to act on Your behalf and approved by Us.

Bodily Injury

means bodily injury, death, sickness, disease, shock, fright, mental anguish or mental injury.

Occurrence

means an event or series of events which results in Bodily Injury or Property Damage You do not expect or intend.

All Bodily Injury or Property Damage arising out of continuous or repeated exposure to substantially similar general conditions will be treated as one Occurrence.

Property Damage

means:

a. physical damage to or loss of or destruction of real or tangible property including any resulting loss of use of that property; or

b. loss of use of real or tangible property which has not been physically damaged, lost or destroyed provided the loss of use is caused by an Occurrence.

What is Covered

We will Cover You for Your legal fees, costs and expenses necessarily and reasonably incurred by You in legal appeal proceedings against:

a. the imposition of a fine;

b. a prohibition notice; or

c. a determination by any court or tribunal;

arising from an actual breach of any workplace health and safety legislation in Australia which results from an Occurrence happening during the Period of Cover in connection with Your Business.

What is Not Covered

The following exclusions apply to this Section.

Refer to Exclusions for exclusions that apply to all claims under this Policy.

We will not Cover You for:

a. legal costs and expenses for appeals relating to or in respect of:
   - proceedings where We consider there are no reasonable prospects of the appeal being successful or for You defending any proceedings against the advice from that advised or recommended by Your Authorised Representative; or
   - proceedings, other than legal appeal proceedings Covered under this Section, brought by You or on Your behalf;

b. fines, prohibition notices or proceedings relating to or in respect of:
   - any matter for which compulsory insurance or statutory indemnity is required by law whether or not that insurance has been effected or a statutory indemnity provided; or
   - any matter which is Covered or could be Covered under any other Section of this Policy whether or not Cover for those Sections are stated in the Schedule; or
   - the existence or presence of asbestos in whatever form or quantity.

We will not pay for any fees, costs or expenses:

a. for any solicitor, barrister, assessor, personal investigator or other person appointed to act on Your behalf or any witness without obtaining Our prior written consent to the appointment of any such person or the incurring of any such fees, costs or expenses;

b. that are awarded against You or which You agree to pay to any other person or entity;

c. if the order was made due to Your:
   - not defending the proceedings brought against You in the first instance;
   - withdrawing from defending the proceedings brought against You; or
   - abandonment of the proceedings brought against You;

d. for more than one appeal against any one fine, prohibition notice or determination; or

Section – Workplace Health and Safety Law Breaches Legal Costs (continued)

e. for proceedings seeking to file an appeal out of time and/or seeking an extension to file an appeal after the applicable period of time for filing the appeal has expired.

Basis of Settlement

We will pay the legal fees, costs and expenses necessarily and reasonably incurred by You with Our prior consent.

Our maximum liability for any one claim under this Section will be limited to the Workplace Health and Safety Law Breaches Legal Costs Sum Insured stated in the Schedule.

Conditions - Applicable to all of this Section

If You or any other person or party Covered under this Policy do not comply with these conditions, to the extent permitted by the Insurance Contracts Act 1984 (Cth):

> **We may cancel this Policy;** or

> to the extent Our interests have been harmed by the non-compliance, We may **reduce any claim payment** or **refuse to pay any claim** under this Policy.

What You Must Do

You are required to:

a. advise Us of Your intention to appeal any proceedings.

This advice must be provided to Us at least seven (7) days before the time for making an appeal expires;

b. provide Us with all information in respect of the matter being appealed; and

c. obtain Our written consent before You incur any legal fees, costs and expenses.

Appointment of and Fees for Your Authorised Representative

Appointment and/or Termination

a. We will, at Our discretion, decide if We:

> agree to You appointing Your own legal representative or other person as the Authorised Representative; or

> appoint an Authorised Representative to act on Your behalf.

b. At all times the Authorised Representative:

> whether appointed by You with Our prior consent or by Us, will act on Your behalf;

> will be appointed in Your name and You will be responsible for the payment of all fees, costs and expenses incurred.

c. We reserve Our right at all times to:

> refuse to use the legal representative or any other person You propose to act as the Authorised Representative;

> instruct You to terminate the services of the Authorised Representative if We consider it is in Your interest to do so; or

> cease paying or to recover any fees, costs or expenses paid where there are no longer any reasonable grounds for You to refuse to accept the advice of Your Authorised Representative or it is subsequently found You are not entitled to Cover under this Section.

Fees, Costs and Expenses

In respect of the Cover under this Section We will only provide Cover for fees, costs and expenses incurred with Our prior written consent.

We will exercise any discretion or right in relation to the payment of fees, costs and expenses reasonably.

You are required to forward copies of invoices or accounts for any fees, costs and expenses incurred with Our prior written consent to Us. We may at Our discretion refer these costs to a relevant authority or expert to be taxed, assessed or audited.

Claim Conditions – Applicable to all of this Section

If You or any other person or party Covered under this Policy do not comply with these conditions, to the extent permitted by the Insurance Contracts Act 1984 (Cth):

> **We may cancel this Policy;** or

> to the extent Our interests have been harmed by the non-compliance, We may **reduce any claim payment** or **refuse to pay any claim** under this Policy.

You are required to provide to the Authorised Representative all required information known to You and/or materials available to You and all assistance they may reasonably require.

You are required to inform Us of any offer to settle an appeal. We may cease paying Your fees, costs and expenses if You unreasonably do not agree to the settlement of the appeal.

Where We or the Authorised Representative recommends settlement of an appeal and You do not agree with the proposed settlement but wish the matter to remain contested Our liability shall not exceed the amount for which the appeal

Section – Workplace Health and Safety Law Breaches Legal Costs (continued)

could have been settled if the matter had not remained contested. Any fees, costs and expenses shall be limited to those incurred up to the date the appeal could have been settled.

Access to Your Authorised Representative

We will be entitled to have direct access to Your Authorised Representative at all times and You are required to cooperate fully with Us and keep Us fully informed of all material developments regarding the proceedings.

We will be entitled to request You to instruct Your Authorised Representative to provide directly to Us any documents, information and advice that We may reasonably require to determine what, if any, obligation We have to Cover You under this Section.

If We make a request, We will pay for the costs incurred in having Your Authorised Representative provide that information.

You must not unreasonably refuse to accept the advice of Your Authorised Representative in respect of making or accepting an offer to settle or discontinue the proceedings.

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Who is the Insurer?
This Policy is underwritten by Guild Insurance Limited ABN 55 004 538 863 and AFS Licence No. 233791 trading as Acerta.

Effective date: 10 December 2025

1300 223 782
acerta.com.au

Underwritten by