



ASR | Underwriting
Agencies

Policy Wording

OFFICE INSURANCE

ASR Underwriting Agencies ABN 84 113 542 233 AFSL 291522

Coverholder at **LLOYD'S**



ASR

Underwriting
Agencies

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1 IMPORTANT INFORMATION

1.1. ABOUT THIS INSURANCE

1.1.1. This Policy has nine Sections that **You** can choose from. Each Section provides a different type of cover relevant to **Your** Business. The details of the cover can be found within each Section, along with the applicable conditions and exclusions. There are also General Conditions and General Exclusions that apply to all Sections of the Policy.

1.1.2. Please read the Policy wording carefully to understand what is covered and what is not covered. Seek advice from **Your** insurance adviser if **You** are unsure whether it will meet **Your** requirements.

1.1.3. Please read the Policy wording carefully to understand what is covered and what is not covered. Seek advice from **Your** insurance adviser if **You** are unsure whether it will meet Your requirements.

- Section 1 - Property ; or
- Section 2 - Business Interruption ; or
- Section 3 - Money or
- Section 4 - Glass; or
- Section 5 - Liability (Broadform); or
- Section 6 - Employee Dishonesty;or
- Section 7 - Machinery and/or Electronic Equipment Breakdown ;or
- Section 8 - General Property ;or



1.1.4 POLICY SUMMARY

Cover Type	Summary of covers (See relevant section for details, relevant limits, and specific conditions and exclusions that apply)
Section 1 - Property	This covers Loss &/or Damage to Business Property at the Situation which is not otherwise excluded.
Section 2 - Business Interruption	This covers consequential loss of income and/or profits or revenue from the interruption of or Business interference with Your insured Business due to Damage.
Section 3 - Money	This covers loss of or damage to Money in transit, Money contained in the Business Premises, Money in Your Private Residence, Money in Locked Safes or Strongrooms.
Section 4 - Glass	This covers You for accidental Breakage of Glass at the Situation.
Section 5 - Broadform Liability	This covers You for amounts You are legally liable to pay as compensation for Personal Injury and/or Public and Property Damage occurring within the Geographical Limit as a result of an Occurrence in connection with Your Business. It also provides a number of automatic supplementary payments..
Section 6 - Employee Dishonesty	This covers You against any loss of Property Insured (including Money) due to fraudulent or dishonest conduct of an Employee for their own gain or the financial benefit of any other person or organisation.
Section 7 - Machinery &/or Electronic Equipment Breakdown	This covers Damage to Your insured electrical, electronic and mechanical machinery including their interconnecting cabling and piping and to boilers and pressure vessels caused by Breakdown. It also provides a number of automatic additional benefits.
Section 8 - General Property	This covers Damage to Property Insured caused by any sudden or unexpected or unforeseen occurrence which is not otherwise excluded.

1.2. WHO IS THE INSURER

1.2.1. This insurance is underwritten by Certain Underwriters at Lloyd's.

1.3. IMPORTANT NOTICE

1.3.1. DUTY OF DISCLOSURE

Your Duty of Disclosure Before **You** enter into the Policy with **Us**, the Insurance Contracts Act 1984 requires **You** to disclose to **Us** every matter that **You** know or could reasonably be expected to know is relevant to Our decision whether and on what terms **Your** application for insurance is acceptable and to calculate how much premium is required for **Your** insurance.

You have the same duty to disclose those matters to **Us** before **You** renew, extend, vary or reinstate the Policy.

The duty applies until the Policy is entered into, or where relevant, renewed, extended, varied or reinstated (Relevant Time). If anything changes between the time **You** provide answers or make disclosure and the Relevant Time, You need to tell **Us**.

What You do not need to tell **Us**

You do not need to tell **Us** about any matter:

- that diminishes **Our** risk;
- that is of common knowledge;

- that **We** know or should know as an insurer; or
- that **We** tell **You We** do not need to know.

Who does the duty apply to?

The Duty of Disclosure applies to **You** and everyone that is an insured under the Policy. If **You** provide information for another insured, it is as if they provided it to **Us**.

What happens if the Duty of Disclosure is not complied with?

If the duty of disclosure is not complied with **We** may cancel the Policy and/or reduce the amount **We** pay if **You** make a claim. If fraud is involved, **We** may treat the Policy as if it never existed, and pay nothing.

1.3.2 UPDATING THE PDS

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

Other Documents may form part of **Our** PDS and the policy. If **They** do **We** will tell **You** in the relevant document.

1.4. ABOUT ASR UNDERWRITING AGENCIES PTY LTD

1.4.1. This insurance is issued by ASR Underwriting Agencies Pty Ltd (ACN 113 542 233, AFS Licence No. 291522) ("**ASRUW**") on behalf of Certain Underwriters at Lloyd's. ASRUW acts on behalf of and in the interests of Certain Underwriters at Lloyd's.

1.4.2. Enquiries about this insurance can be made to ASRUW, whose contact details are:

Address: Unit 2, 25 Main Street, Beenleigh, Queensland Australia 4207
Telephone: (07) 3442 3333
Facsimile: (07) 3807 6839
Website: www.asruw.com.au
Email: enquiries@asruw.com.au

1.5. OUR AGREEMENT

1.5.1. Based upon the information provided in **Your** application, and subject to the payment of the premium, **We** agree to provide **You** with the insurance cover set out in the Sections of the Policy listed in the Schedule in accordance with the terms, conditions, exclusions, definitions and limitations of this Policy. The insurance cover provided by the Policy is in force for the Period of Insurance.

1.5.2. The maximum **We** will pay is the applicable Sum Insured or Sub-Limit of the Sum Insured relating to each Section of the Policy except in relation to additional benefits which are in addition to the sum insured, less any applicable Excess.

1.5.3. **You** will be liable to pay the Excess applicable to each Section as specified by the Policy or as shown on the Schedule.

1.6. LLOYD'S PRIVACY POLICY STATEMENT

UNDERWRITERS AT LLOYD'S, LONDON

1.6.1. **We** want **You** to know how **We** protect the confidentiality of **Your** non-public personal information. **We** want **You** to know how and why **We** use and disclose the information that **We** have about **You**. The following describes **Our** policies and practices for securing the privacy of **Our** current and former customers.

INFORMATION WE COLLECT

- 1.6.2.** The non-public personal information that **We** collect about **You** includes, but is not limited to:
- Information contained in applications or other forms that **You** submit to **Us**, such as name, address, and social security number;
 - Information about **Your** transactions with **Our** affiliates or other third-parties, such as balances and payment history;
 - Information **We** receive from a consumer-reporting agency, such as credit-worthiness or credit history;

INFORMATION WE DISCLOSE

- 1.6.3.** **We** disclose the information that **We** have when it is necessary to provide **Our** products and services. **We** may also disclose information when the law requires or permits **Us** to do so.

CONFIDENTIALITY AND SECURITY

- 1.6.4.** Only **Our** employees and others who need the information to service **Your** account have access to **Your** personal information. **We** have measures in place to secure **Our** paper files and computer systems.

RIGHT TO ACCESS OR CORRECT YOUR PERSONAL INFORMATION

- 1.6.5.** **You** have a right to request access to or correction of **Your** personal information that is in **Our** possession.

CONTACTING US

- 1.6.6.** If **You** have any questions about this privacy notice or would like to learn more about how **We** protect **Your** privacy, please contact the agent or broker who handled this insurance. **We** can provide a more detailed statement of **Our** privacy practices upon request.

1.7. CANCELLATION CLAUSE

- 1.7.1.** This Insurance may be cancelled by **You** at any time by written notice or by surrender of this contract of insurance. If **You** cancel this Insurance, **We** shall retain a pro rata portion of the annual premium for the time **You** were insured, except that if this Insurance is on an adjustable basis then **We** shall receive the earned premium hereon or any minimum premium stipulated herein whichever is the greater subject to there being no claims paid or outstanding at the date of cancellation.
- 1.7.2.** This Insurance may also be cancelled by or on behalf of **Us** by delivering to **You** or by mailing to **You**, by registered, certified or other first class mail, at **Your** address as shown in this Insurance, written notice stating when, not less than hereafter, the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice and this Insurance shall terminate at the date and hour specified in such notice.
- 1.7.3.** If this Insurance shall be cancelled by or on **Our** behalf, **We** shall retain the pro rata proportion of the premium hereon, except that if this Insurance is on an adjustable basis then **We** shall receive the earned premium hereon or the pro rata proportion of any minimum premium stipulated herein whichever is the greater.
- 1.7.4.** Payment or tender of any unearned premium by **Us** shall not be a condition precedent to the effectiveness of Cancellation but such payment shall be made as soon as practicable.
- 1.7.5.** If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period limitation permitted by such law.

1.8. GENERAL INSURANCE CODE OF PRACTICE

- 1.8.1.** **We** subscribe to the General Insurance Code of Practice.

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

1.8.3. The Code aims to:

- constantly improve claims handling in an efficient, honest and fair manner;
- build and maintain community faith and trust in the financial integrity of the insurance industry; and
- provide helpful community information and education about general insurance.

COMPLAINTS AND DISPUTE RESOLUTION PROCESS

1.8.4. If **You** have a complaint about an insurance product issued by **Us** or a service **You** have received from **Us**, including the settlement of a claim, please contact **Your** intermediary to initiate the complaint with **Us**. If **You** are unable to contact **Your** intermediary, call **Us** on (07) 3442 3333.

1.8.5. **We** will ask **You** to complete a Complaint Report Form and **Your** complaint will be reviewed by **Our** Internal Review Panel free of charge.

1.8.6. **We** will keep **You** informed of the progress of **Our** review at least every 10 working days and give **You** **Our** response in writing within 15 working days provided **We** have all necessary information and have completed any investigation required.

1.8.7. In the unlikely event that this does not resolve the matter or **You** are not satisfied with the way **Your** complaint has been dealt with, **You** should contact the Compliance Manager at:

Lloyd's Australia Limited
Level 9
1 O'Connell Street
Sydney NSW 2000
Australia

Telephone: Tel: +61 (0)2 8298 0700
Fax: +61 (0)2 8298 0788

1.8.8. **You** will be advised whether **Your** dispute will be handled by either Lloyd's Australia or the Complaints Department at Lloyd's in London.

- Where **You** are a retail client and **Your** dispute is eligible for referral to the Financial Ombudsman Service (FOS), **Your** dispute will be reviewed by a person at Lloyd's Australia with appropriate authority to deal with **Your** dispute.
- FOS will review **Our** decision in accordance with their terms of reference. **You** are not bound by their decision. However, **We** are bound to act immediately on FOS' decision. This is a free service provided by an independent body. Brochures outlining the operations of FOS are available from **Us** or the Insurance Council of Australia in **Your** State or Territory. **You** can phone the FOS from anywhere in Australia on 1300 780 808 or write to them at:

Financial Ombudsman Services Limited
Level 12
717 Bourke St
Docklands
Melbourne Vic 3008
Email: info@fos.org.au

- Where **You** are a retail client and **Your** dispute is not eligible for referral to the FOS, or where **You** are a wholesale client, Lloyd's Australia will refer **Your** dispute to the Complaints Department at Lloyd's, who will then liaise directly with **You**.

1.8.9. In this case, **You** may be eligible for referral to the Financial Ombudsman Service (UK). Such referral must occur within 6 months of the final decision by the Complaints Department at Lloyd's. Further details will be provided by the Complaints Department with their final decision to **You**.

1.8.10. **Your** dispute will be acknowledged in writing within 5 business days of receipt, and **You** will be kept informed of the progress of **Our** review of **Your** dispute at least every 10 business days. The length of time required to resolve a particular dispute will depend on the individual issues raised, however in most cases **You** will receive a full written response to **Your** dispute within 15 business days of receipt, provided **We** have received all necessary information and have completed any investigation required.

1.8.11. This service is free of charge to policyholders.

1.9. AUSTRALIA TERRORISM INSURANCE ACT 2003 NOTICE

1.9.1. **We** have treated this Insurance (or part of it) as an Insurance to which the Australia Terrorism Insurance Act 2003 (ATIA) applies.

1.9.2. ATIA and the supporting regulations made under the Act deem cover into certain policies and provide that the Terrorism exclusion to which this Insurance is subject shall not apply to any "eligible terrorism loss" as defined in ATIA.

1.9.3. Any coverage established by ATIA is only in respect of any "eligible terrorism loss" resulting from a "terrorist act" which is a "declared terrorist incident" as defined in ATIA. The Terrorism exclusion to which this Insurance is subject applies in full force and effect to any other loss and any act or event that is not a "declared terrorist incident".

1.9.4. All other terms, conditions, insured coverage and exclusions of this Insurance including applicable limits and deductibles remain unchanged.

1.9.5. If **We** have reinsured this Insurance with the Australian Reinsurance Pool Corporation, then **We** will not be liable for any amounts for which they are not responsible under the terms of ATIA due to the application of a "reduction percentage" as defined in ATIA which results in a cap on **Our** liability for payment for "eligible terrorism losses".

1.10. LLOYD'S AUSTRALIAN ALTERNATIVE DISPUTES RESOLUTION CLAUSE

1.10.1. In the event that a dispute arises between **Us** and **You**/ out of or otherwise in relation to this agreement, then:

- (a) Any party to the dispute shall, without prejudice to any other right or entitlement they may have, give written notice to the other party (the "**Dispute Notice**") requiring them within 7 days of this notice to negotiate (whether in a face to face meeting or by teleconference) in good faith as to how the dispute can be resolved;
- (b) If a dispute is not resolved within 10 days of the Dispute Notice, either party can request the other party within a further 10 days to agree on either:
 - 1) a process for resolving the dispute through means other than litigation or arbitration, such as further negotiation, mediation, or any other alternative dispute resolution technique. The rules governing any such technique shall be agreed as between the parties and where no such agreement as to the process and or guidelines is reached within 10 days, then it shall be by mediation by a mediator selected by the Chairperson for the time being of Lawyers Engaged in Alternative Dispute Resolution (**LEADR**) (or other appropriate professional body as agreed by the parties); or
 - 2) referral of the matters in dispute to an independent expert for an expert determination. The parties agree that they will not be bound by the determination of the expert. The expert:
 - (a) will be a person agreed between the parties within 10 days of the dispute being referred to expert determination or failing this, the expert will be a person appointed by the Australian Insurance Law Institute (or other appropriate professional body as agreed by the parties);
 - (b) will act as an expert and not as an arbitrator;
 - (c) will proceed in such a manner as he or she thinks fit without being bound to observe the rules of natural justice or the rules of evidence;
 - (d) will take into consideration all documents, information and other written and oral material that the parties place before him or her including documents, information and material

relating to the facts in dispute and to arguments and submissions upon the matters in dispute; and

- (e) will act with expedition to provide the parties with a determination in writing within 35 days of the referral to him or her of the matters in dispute.

1.10.2. Both parties must use their best endeavours to achieve resolution by the selected process and further agree that neither party will initiate litigation (as set out in clause (c) below) without first pursuing such informal resolution techniques in good faith;

1.10.3. In the event that the dispute is not resolved by such informal process within 35 days of the Dispute Notice (or such other period as agreed in writing between the parties) the dispute shall be referred to litigation.

- (c) Following either a mediation or an expert determination pursuant to clause (b) of this provision, either party may then initiate proceedings in any competent Court in the Commonwealth of Australia in relation to the matters in dispute.

Such proceedings may only be commenced on 14 days written notice to the other party and shall be determined in accordance with the law and practice applicable in such Court.

1.10.4. Any summons, notice or process to be served upon **Us** may be served upon:

Lloyd's Underwriters' General Representative in Australia
Suite 9, 1 O'Connell Street Sydney NSW 2000
Telephone (02) 8298 0782
Facsimile (02) 8298 0788

who has authority to accept service and to appear on **Our** behalf.

1.10.5. If proceedings are instituted against **Us**, **We** will abide by the final decision of such Court or any competent Appellate Court.

- (d) Except where the dispute renders it impossible to do so, the parties will continue performing their respective obligations under the Policy while the dispute is being resolved, unless and until such obligations are terminated or expire in accordance with this agreement.
- (e) Each party must use its reasonable endeavours to ensure that where a dispute is reasonably foreseeable, it is dealt with at a sufficiently early stage to ensure that there is a minimal effect on the ability of either party to perform its obligations under the Policy.
- (f) Notwithstanding anything in this schedule, either party may at any time commence Court proceedings in relation to any dispute or claim arising under, or in connection with the Policy where the party seeks urgent interlocutory relief.

1.11. SERVICE OF SUIT CLAUSE (AUSTRALIA)

1.11.1. **We** hereon agree that:-

- 1) In the event of a dispute arising under this Policy, **We** at the request of **You** (or reinsured) will submit to the jurisdiction of any competent Court in the Commonwealth of Australia. Such dispute shall be determined in accordance with the law and practice applicable in such Court.
- 2) Any summons notice or process to be served upon **Us** may be served upon:

Lloyd's General Representative
Suite 9, 1 O'Connell Street Sydney NSW 2000

who has authority to accept service and to enter an appearance **Our** behalf, and who is directed at the request of **You** (or reinsured) to give a written undertaking to **You** (or reinsured) that he will enter an appearance on **Our** behalf.

- 3) If a suit is instituted against **Us, We** will abide by the final decision of such Court or any competent Appellate Court.

1.12 SEVERAL LIABILITY NOTICE

The liability of a Lloyds insurer under this contract is several and not joint with other Lloyds insurers who are parties to this contract. A Lloyds insurer is liable only for the proportion of liability it has underwritten. A Lloyds insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is a Lloyds insurer otherwise responsible for any liability of any other insurer that may underwrite this contract. The proportion of liability under this contract underwritten by an insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in this contract. In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address. Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

1.13 WORDS WITH SPECIAL MEANINGS

Words that begin with a capital letter with bold type have a special meaning when used in the Policy.

Those words that apply to only one Section of the Policy have been defined in that Section of the Policy. Words with a special meaning that apply to all Sections of the Policy are as follows:

Additional Benefit means the applicable Additional Benefit of the Policy referred to.

Building means the building(s) at the Situation, including outbuildings, underground services, walls, gates and fences, signs, landlord's fixtures and fittings of every kind and description and additions forming part of the building.

Business means the business described in the Schedule carried on by **You**, or on **Your** behalf, at or from the Situation and any occupation incidental to that business.

Computer Virus means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. Computer Virus includes but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'.

Contents means contents of every description (including Documents) used in the Business that belong to **You**, or for which **You** have assumed responsibility, that are not otherwise excluded by the Policy.

Where **You** are a tenant of leased or rented premises, Contents includes:

- a) landlord's fixtures and fittings for which **You** are liable under the terms of a lease or similar agreement, and
- b) fixtures and fittings installed by **You** for **Your** own use and extends to include painting.

Damage or Damaged means any accidental physical loss, damage or destruction that is not otherwise excluded by the Policy. For the purposes of Section 1 – Property, Section 3 – Money and Section 8 – General Property, this definition is extended to include loss caused by Theft.

Documents means written or printed: deeds, wills, agreements, manuscripts, maps, plans, drawings, compact disks, memory sticks, office and business records of every description, computer data, designs, books of account, books, letters, certificates, documents or forms of any nature whatever (but excluding book debts and Money) belonging to **You**, or which are in **Your** custody, or for which **You** are legally liable or have assumed a responsibility.

Electronic data means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software, and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

Excess means the amount **You** must pay for each event or occurrence giving rise to a claim under this Policy. To understand how **We** will apply the Excess to a claim, please refer to the Excess provision under the General Conditions.

Flood means the inundation of normally dry land by water escaping or released from the normal confines of any natural watercourse or lake (whether or not they have been altered or modified) or from any dam, reservoir or canal.

GST means Goods and Services Tax.

Indemnity Value means the cost necessary to replace, repair or rebuild (as the case may be) property insured by this Policy to a condition substantially the same as its condition at the time of the destruction, loss or Damage (but not better or more extensive than that condition) taking into consideration its age, wear, tear and remaining useful life.

Insured means the person(s) or entity(ies) named in the Schedule as the insured and any subsidiaries and social clubs.

Money means current coin, bank notes, currency notes, cheques, credit card sales vouchers, authorised gift vouchers, securities, negotiable securities, negotiable instruments, postal orders, money orders, unused postage and revenue stamps, public transport tickets, private transport tickets (excluding airline tickets), bridge or highway tokens, car wash tokens, lottery tickets, phone cards and stored value or similar type cards, and includes cash boxes, alarm bags, or any other portable container used to convey money, all belonging to **You** or for which **You** are legally responsible or have assumed a responsibility.

Open Air means an area at the Situation that is either not wholly enclosed by walls and a roof or cannot be completely closed.

Period of Insurance means the period stated in the Schedule during which this Policy is in place.

Policy means the agreement between **You** and **Us** to provide insurance cover according to the terms, conditions and exclusions contained in this Policy wording, **Your** application, the Schedule, any attachments to the Schedule, and any other document or endorsement issued by **Us** affecting the cover.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapours, soot, fumes, acids, alkalis, chemicals and waste (including waste material that is to be recycled, reclaimed or reconditioned).

Pollution or Contamination means Damage or loss arising out of the discharge, dispersal, release or escape of smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or Pollutants into or upon any property, land, atmosphere or any watercourse or body of water (including ground water).

Premises means the Building/s at the Situation.

Replacement Cost means the cost necessary to replace, repair or rebuild (as the case may be) property insured by this Policy to a condition substantially the same as when new (but not better or more extensive than that condition).

Schedule means the Schedule issued with this Policy wording.

Sea means any ocean, sea, harbour or tidal water.

Section means the applicable section of the Policy referred to.

Situation means the location stated in the Schedule.

Sub-Limit of the Sum Insured means the maximum amount **We** are liable to pay for a particular benefit, item, loss or claim within a Section of the Policy as specified in that Section of the Policy or in the Schedule.

Sum Insured means the amount shown in the Schedule for each applicable Section of the Policy for which **You** are insured for any one loss or series of losses arising out of one event.

Terrorism means an act, including but not limited to the use of force or violence and/or threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

Theft means the dishonest taking of property insured by this policy with the intention of permanently depriving **You** of it.

Watercraft means any vessel or craft designed to float on or in water, or travel on, through or under the water.

We, Us and **Our** means Certain Underwriters at Lloyd's of London who subscribe to:

- Section 1 - Property ; or
- Section 2 - Business Interruption ; or
- Section 3 - Money or
- Section 4 - Glass; or
- Section 5 - Liability (Broadform); or
- Section 6 - Employee Dishonesty;or
- Section 7 - Machinery and/or Electronic Equipment Breakdown ;or
- Section 8 - General Property ;or

You and **Your** mean the person(s) or entity(ies) named in the Schedule as the Insured.

1.14 GENERAL EXCLUSIONS

The following exclusions apply to all Sections of the Policy.

The Policy does not cover any loss, damage, destruction, compensation, liability, cost or expense of any nature arising from or in connection with the following (regardless of any other cause or event contributing concurrently or in any sequence to such loss or damage or so on):

1.14.1 TERRORISM

1.14.1.1 Notwithstanding any provision to the contrary within this insurance or any endorsement thereto, it is agreed that this insurance excludes death, injury, illness, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

1.14.1.2 This exclusion also excludes death, injury, illness, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of Terrorism.

1.14.2 ASBESTOS

Any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of, or in any way involving asbestos, or any materials containing asbestos in whatever form or quantity.

Provided that this policy covers asbestos physically incorporated in an insured building or structure, and then only that part of the asbestos which has been physically damaged during the period of insurance by one of these Listed Perils:

fire; explosion; lightning; windstorm; hail; direct impact of vehicle, aircraft or vessel; riot or civil commotion, vandalism or malicious mischief; or accidental discharge of fire protective equipment.

The coverage is subject to each of the following specific limitations;

1. The Listed Peril must be the immediate, sole cause of the damage of the asbestos.
2. **You** must report to **Us** the existence and cost of the damage as soon as practicable after any of the Perils listed above first damaged the asbestos. However, this Policy does not insure any such damage first reported to the **Us** more than 12 (twelve) months after the expiration, or termination, of the period of insurance.

Insurance under this Policy in respect of asbestos shall not include any sum relating to:

- (i) any fault in the design, manufacture or installation of the asbestos;
- (ii) asbestos not physically damaged by the Listed Peril including any governmental or regulatory authority direction or request of whatsoever nature relating to undamaged asbestos.

1.14.3 LAWFUL SEIZURE

Confiscation, nationalisation, requisition, destruction, loss or damage of property by or under the orders of any government or public or local authority. However, this exclusion will not apply to damage that occurs as a result of such an order if it prevents or attempts to prevent fire or other damage covered by this Policy.

1.14.4 ELECTRONIC MEDIA

- a) Business conducted and/or transacted via the Internet, any intranet, any extranet and/or via **Your** own website, Internet site, web address and/or via the transmission of electronic mail or documents by electronic means; or
- b) infringement of copyright and/or trademarks; or
- c) any inability to access the Internet, any intranet, any extranet and/or electronic mail, or
- d) malicious computer programs.

1.14.5 ELECTRONIC DATA

1.14.5.1 Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, This Electronic Data exclusion is applicable to the following sections of this Policy:

- Section 1 - Property ; or
- Section 2 - Business Interruption ; or
- Section 8 - General Property

it is understood and agreed as follows:-

- a) This Policy does not insure, loss, damage, destruction, distortion, erasure, corruption or alteration of **Electronic Data** from any cause whatsoever (including but not limited to **Computer Virus**) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.
- b) However, in the event that a peril listed below (being a peril insured by the relevant Policy sections but for this exclusion) is caused by any of the matters described in paragraph (a) above, then the relevant Policy sections, subject to all their provisions, will insure:
 - physical loss of or damage or destruction to Business Property directly caused by such listed peril, and/or
 - consequential loss insured by this Policy.

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

Accidental Damage other than non-physical Damage, fire, lightning, thunderbolt, explosion, implosion, earthquake, subterranean fire, volcanic eruption, impact by Aircraft or aerial object dropped therefrom, impact by road vehicle or animal, sonic boom, theft of Electronic Data solely where such theft is a consequence of theft of any computer and/or computer hardware and/or firmware and/or microchip and/or integrated circuit and/or similar device containing such Electronic Data, breakage of glass, the acts of persons taking part in riots or civil commotions or of strikers or of locked-out workers or of persons taking part in labour disturbances, storm and/or tempest and/or rainwater and/or wind and/or hail, water and other liquids and/or substances discharged and/or overflowing and/or leaking from any apparatus and/or pipes at the Business Premises.

(c) For the purposes of the basis of settlement provision in these Policy sections, computer systems records includes Electronic Data as defined in paragraph (i) above. Any terrorism exclusion in these Policy sections or any endorsement thereto prevails over this exclusion.

Electronic Data Processing Media Valuation

1.14.5.2 Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:-

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the **Electronic Data** from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such **Electronic Data**. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this Policy does not insure any amount pertaining to the value of such **Electronic Data** to **You** or any other party, even if such **Electronic Data** cannot be recreated, gathered or assembled.

1.14.6 SANCTION LIMITATION AND EXCLUSION CLAUSE

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

1.14.7 POLLUTION

Liability arising from or in connection with the actual or alleged discharge, seepage, dispersal, release or escape (whether intentional or otherwise) of any Pollutants into the atmosphere, into or upon any land or into any body of water (including a waterway or water course) or arising from or in connection with any enforcement action by any public official or agency or any direction to test for, monitor, remove, clean, contain, treat, detoxify or neutralise any Pollutants.

1.14.8 RADIOACTIVITY

Liability in connection with nuclear weapons, nuclear material or ionising radiations or contaminations from any nuclear fuel or from any nuclear waste from the combustion (including any self-sustaining process of nuclear fission or fusion) of nuclear fuel.

- (a) loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
 - (b) Any legal liability of whatsoever nature
- directly or indirectly caused by or contributed to or arising from
- (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel

- (ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

1.14.9 WAR

Loss or Damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

1.14.10 DISHONEST AND WILFUL CONDUCT

Any actual or alleged:

- dishonest, fraudulent, criminal or malicious act;
- wilful or reckless breach of any statute, contract or duty; or
- conduct intended to cause loss, Damage, destruction, liability, cost or expense or with reckless disregard for the consequences;

by **You** or any person acting with **Your** knowledge, consent or participation.

1.14.11 MICROORGANISM EXCLUSION (ABSOLUTE)

Mould, mildew, fungus, spores or other microorganism of any type, nature, or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

This Exclusion applies regardless whether there is (i) any physical loss or damage to insured property; (ii) any insured peril or cause, whether or not contributing concurrently or in any sequence; (iii) any loss of use, occupancy, or functionality; or (iv) any action required, including but not limited to repair, replacement, removal, cleanup, abatement, disposal, relocation, or steps taken to address medical or legal concerns.

This Exclusion replaces and supersedes any provision in the Policy that provides insurance, in whole or in part, for these matters.

1.14.12 ELECTRONIC DATE RECOGNITION

1.14.12.1 This Policy does not cover any loss, damage, cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to:

- a) the calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations, by any computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether property or not; or
- b) any change, alteration, or modification involving the date change to the year 2000, or any other date change, including leap year calculations, to any such computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether property or not.

1.14.12.2 This clause applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss, damage, cost, claim or expense.

1.14.13 Exterior Insulation and Finish System

Any Claim resulting in Loss arising in whole or in part out of the design, manufacture, construction, fabrication, preparation, installation, application, maintenance or repair, including remodelling, service, correction, or replacement of an Exterior Insulation and Finish System (EIFS), synthetic stucco, or any similar product or any part thereof, including the application or use of paints, conditions, primers, accessories, flashings, coatings, caulking or sealants in connection with such a product.

1.15 GENERAL CONDITIONS

The following conditions apply to all Sections of the Policy:

1.15.1 REASONABLE CARE

You must:

- a) take all reasonable precautions to prevent:
 - (i) Personal Injury and Property Damage;
 - (ii) the manufacture, sale or supply of defective products;
- b) comply with, and ensure that **Your** employees, servants and agents comply with, all laws, by-laws, regulations and recognised standards for the safety of persons or property;
- c) ensure that only competent employees and contractors use, operate, maintain and service plant and equipment;
- d) maintain all premises, fittings, plant and equipment in sound condition; and
- e) take immediate action to trace, recall or modify all products that **You** know or have reason to suspect contain a defect or deficiency.

1.15.2 ASSIGNMENT

1.15.2.1 **You** must not assign this Policy or any of **Your** rights under this Policy, without **Our** prior written consent.

1.15.3 EXCESS

1.15.3.1 **You** must pay the Excess shown in the Schedule or in this Policy wording for each claim made under the Policy.

1.15.3.2 Where a claim, or a series of claims that result from one original source or cause is made, the highest applicable Excess only shall apply and will apply only once (it will not be aggregated).

1.15.3.3 Where a Sub-Limit of the Sum Insured is specified under an Additional Benefit, the Excess amount will first be deducted from the amount of the claim before the Sub-Limit of the Sum Insured is applied.

1.15.3.4 However, with respect to Section 5 – Liability (Broadform), the Excess applies to all amounts for which **We** will be liable, including the indemnity provided by Additional Benefit 1 (**Your** Legal Costs) under that Section or any investigation costs associated with the claim.

1.15.4. SUBROGATION

1.15.4.1 If **We** make a payment under this Policy, **We** are subrogated to all of **Your** rights of contribution, indemnity or recovery and **You** must not give up any of these rights without **Our** prior written consent. **You** must also do all things and execute all documents to enable **Us** to sue in **Your** name for contribution, indemnity or recovery.

1.15.5 JURISDICTION

1.15.5.1 Any dispute concerning the interpretation of this Policy will be determined according to the law of Australia. **We** and **You** agree to submit to the exclusive jurisdiction of any court of competent jurisdiction in the State or Territory of Australia where this Policy was issued and to comply with all requirements necessary to do so.

1.15.6 INSURANCE CONTRACTS ACT

1.15.6.1 Nothing contained in this Policy is to be construed to reduce or waive either **Your** or **Our** rights available under the *Insurance Contracts Act 1984* (Cth).

1.15.7 OTHER INSURANCES

1.15.7.1 **You** shall give **Us** written notice as soon as possible of any other insurance or insurances that cover any of the risks that are the subject of this Policy.

1.15.8 TREATMENT OF GST

1.15.8.1 All monetary limits in this policy may be increased for GST in some circumstances as described below.

1.15.8.2 **We** will calculate the amount **We** will pay to **You** in the following manner:

- where **You** are liable to pay an amount for GST in respect of a payment relevant to **Your** claim (such as services to repair a Damaged item insured under this Policy), **We** will pay for the GST amount (in addition to the Sum Insured or other applicable limit shown in the Policy or the Schedule);
- if the Sum Insured is not sufficient to cover **Your** loss or Damage, **We** will only pay the GST amount that relates to **Our** settlement of **Your** claim;
- **We** will reduce the GST amount **We** pay by the amount of any input tax credits to which **You** are or would be entitled; and
- where **We** make a payment under this Policy as compensation instead of payment for a relevant acquisition, **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 a relevant acquisition.

1.15.9 INPUT TAX CREDIT ENTITLEMENT

1.15.9.1 If **You** register or are registered for GST, **You** are required to tell **Us** **Your** entitlement to an input tax credit on **Your** premium. If **You** fail to disclose, or understate, **Your** entitlement, **You** may be liable for GST on a claim **We** may pay. **We** will not indemnify **You** for any GST liability (including any fine, penalty or charge) that arises due to **Your** failure to notify **Us** of **Your** entitlement or correct entitlement to an input tax credit on the premium for this insurance.

1.16 CLAIMS CONDITIONS & PROCEDURES

1.16.1 In the event of a claim, possible claim or notice of claim under any Section of this Policy, the **Insured** must at their **Your** expense:

- immediately advise **Us or Our appointed representatives** of the full details of any an event, loss, damage, liability, injury or legal proceedings relating to a claim or likely to result in a claim under this Policy against the **Insured**;
- Complete and Lodge a claim if we request **You** to do so;
- Take all responsible precautions and other steps necessary to prevent further loss, damage destruction, expense or liability, or interruption to the business, occurring and to minimise the claim;
- Take all reasonable steps to recover lost of stolen property;
- Immediately inform the police of any actual or attempted malicious of deliberate damage, theft, housebreaking, fraudulent misappropriation of attempts to commit any of these things;
- Unless we specify an earlier time, give **Us** within 30 days of the event, a written statement giving details of the claim (along with all necessary supporting documentation and evidence of ownership if relevant to **Your** claim) and any further information that **We** may reasonably require to investigate and to verify the claim; and

- Assist **Us** in the defence of any claim brought against **You**.

1.16.2 **You** must not without **Our** consent:

- dispose of any property insured under this Policy; or
- arrange for the repair or replacement of any property insured under this Policy. (other than necessary temporary repairs)
- must not admit liability for any claim, settle (or offer to settle) the claim, pay (or offer to pay) any money or make any promise without **Our** prior written consent;

1.16.3 Where a claim is made against **You** or any other person insured by the Policy:

- **We** will be entitled to take over and conduct in **Your** name the defence or settlement of any claim and to prosecute in **Your** name for **Our** benefit any claim for indemnity or damages or otherwise; and
- **We** will have full discretion and control in the conduct of the proceedings and the settlement of the claim and **You** or such other person must give all such information and assistance as **We** may reasonably require.



2 SECTION 1 - PROPERTY

2.1 THE COVER

2.1.1 If this Section is shown as insured on the Schedule, **We** will indemnify **You** for loss and/or Damage to Insured Property at the Situation caused by any sudden, unexpected or unforeseen occurrence that is not otherwise excluded.

2.1.2 **We** will indemnify **You** in the manner described under Basis of Settlement.

2.2 LIMIT OF LIABILITY

2.2.1 **Our** total liability for all loss and/or Damage arising out of one event (or from a series of events arising directly or indirectly from one source or original cause) during the Period of Insurance will not exceed the respective Sums Insured shown in the Schedule for:

- Building;
- Contents;
- Rent; and/or
- Specified Items.

2.2.2 In addition, **We** will also pay other amounts as provided for under the Additional Benefits in this Section.

2.3 SPECIAL DEFINITIONS

Full Insurable Value means the amount that would be required as a sufficient Sum Insured to allow Us to fully indemnify **You** for a total loss for a claim under this Section.

Insured Property means the Building, Contents, Rent and/or Specified Items shown in the Schedule under this Section.

Rent means the amount receivable by **You** pursuant to a lease or rental agreement in force at the time of the loss or Damage to the Building.

Specified Items means property specifically described in the Schedule under Specified Items.

2.4 BASIS OF SETTLEMENT

2.4.1 INSURED PROPERTY

Buildings, Contents and/or Specified Items

(a) Unless the Schedule indicates otherwise, **We** will (at **Our** option):

- repair, replace or rebuild the Building, Contents and/or Specified Items (or the Damaged portion of them) up to its Replacement Cost
- pay **You** the reasonable cost to repair, replace or rebuild the Building, Contents and/or Specified Items (or the Damaged portion of them) up to their Replacement Cost, or
- pay to **You** the Sum Insured applicable to Building, Contents and/or Specified Items.

(b) If the Building is empty and awaiting demolition, **We** will only pay the salvage value of the Damaged

Building materials and fixtures and fittings.

Rent

- (c) **We** will pay the Rent lost by **You** for such period as the Buildings (or proportionally in the case of any part of them) are untenable, less the amount of any expenses saved.
- (d) The maximum period for which **We** will pay **You** for Rent lost will be the number of months shown in the Schedule.
- (e) **We** will be entitled to reduce the amount **We** pay **You** by an amount that fairly represents the prejudice **We** may suffer as a result of any failure by **You** to carry out repair or rebuilding with due diligence.

2.4.2 EXTRA REINSTATEMENT COSTS

- (a) Unless the Schedule indicates otherwise, **We** will also pay the extra cost of reinstatement (including demolition or dismantling) of Damaged Building(s) and/or Contents necessarily incurred to comply with the requirements of any Act of Parliament or regulation made under an Act or any by-law or the regulation of any Municipal or other Statutory Authority.
- (b) However:
 - 1) the work of reinstatement must be commenced and carried out within a reasonable period, failing which **We** will not pay more than the amount which would have been payable under the Policy if this additional coverage had not been included;
 - 2) the work of reinstatement may be carried out wholly or partially upon any other site, if the requirements of the Act, regulation or by-law necessitate it, subject to **Our** liability not being increased;
 - 3) all other insurances covering the Buildings and/or Contents effected by **You** or on **Your** behalf must be on a similar basis;
 - 4) if the cost of reinstatement is less than 50% of that which would have been the cost of reinstatement if the Buildings and/or Contents had been destroyed, the amount **We** will pay will be limited to the extra cost necessarily incurred in reinstating only that portion Damaged; and
 - 5) **Our** total liability will not exceed 50% of the Sum Insured specified in the Schedule for the Building and Contents respectively.

2.4.3 COST OF COMPLYING WITH REGULATIONS

- (a) The amount payable under the Policy will not include any cost incurred in complying with any Act, by-law, regulation, or requirement with which **You** had been required to comply before the Damage occurred.

2.5 ADDITIONAL BENEFITS

The Policy is extended to cover the Additional Benefits shown below. The cover provided by the Additional Benefits numbered 2.5.2, 2.5.8, 2.5.9, 2.5.10, 2.5.11, 2.5.13, 2.5.15, 2.5.17 and 2.5.19 is not conditional upon a claim having been made under this Section. In all other cases, the Additional Benefits will only be payable by Us if **We** have agreed to indemnify **You** for a claim under this Section.

2.5.1 REMOVAL OF DEBRIS

- (a) The costs of the removal, storage and/or disposal of debris or the demolition, dismantling, shoring up, propping, underpinning or other temporary repairs.
- (b) The demolition and removal of any Insured Property that is no longer useful for the purpose for which it

was intended, providing such demolition and removal is necessary to repair, replace or rebuild Damaged Insured Property.

The maximum **We** will pay under this Additional Benefit is \$20,000 or 10% of the total Sum Insured for this Section, whichever is the greater, during the Period of Insurance.

2.5.2 FIRE EXTINGUISHMENT COSTS

Costs and expenses (including employees' wages) incurred:

- (a) in extinguishing fire at or in the vicinity of the Situation that threatens Insured Property and in gaining access consequent upon Damage to Insured Property;
- (b) in the replenishment of fire-fighting appliances and apparatus
- (c) for the purpose of shutting off the supply of water or other substances that are accidentally discharged from any fire protective equipment or otherwise;
- (d) in the removal of debris from the Situation by Fire Brigade Services or a similar authority;
- (e) for which **You** are liable under any Fire Brigade Act or similar legislation following circumstances described in a) above.
- (f) as a result of a false alarm or callout including charges levied by the fire brigade.

Payment under this Additional Benefit is not dependent on any Damage to Insured Property. The maximum **We** will pay under this Additional Benefit is \$25,000 during the Period of Insurance.

2.5.3 PROFESSIONAL FEES

Architects', surveyors', consulting engineers', lawyers' and other professionals' fees and clerks of work salaries for estimates, plans, specifications, quantities, tenders and supervision necessarily incurred to replace, repair or rebuild Insured Property.

2.5.4 GOVERNMENT FEES

Any fee, contribution or other impost payable to any Government, Local Government or other Statutory Authority where payment is a condition precedent to the obtaining of consent to replace, repair or rebuild the Insured Property. However, **We** will not be liable for payment of any fines or penalties imposed upon **You** by any such authorities.

The maximum **We** will pay under this Additional Benefit is \$10,000 during the Period of Insurance.

2.5.5 REINSTATEMENT OF SUM INSURED

Following a claim under this Section, other than a claim for total loss (whether actual or constructive total loss), **We** will reinstate the Sum Insured from the date of loss or Damage.

2.5.6 FLOOR SPACE RATIO INDEX

If a Building is Damaged in circumstances for which a claim is payable under this Section, and if the cost of reinstatement is more than 50% of the cost that would be required for reinstatement if the Building had been totally destroyed, and if reinstatement is only legally permissible with a reduced floor-space ratio index, **We** will pay (in addition to any other amount payable on reinstatement of the Building) the difference between the actual cost of reinstatement incurred in accordance with the reduced floor-space ratio index and the cost of reinstatement that would have been incurred had a reduced floor-space ratio index not been applicable.

2.5.7 UNDAMAGED FOUNDATIONS

Where a Building or an installation constructed on its own foundations is Damaged in circumstances for which a claim is payable under this Section, but its foundations are not destroyed and, due to legal requirements, reinstatement of the Building has been carried out upon another site, the abandoned foundations shall be considered by **Us** as having been destroyed.

However, if the resale value of the original Building site is increased by virtue of the presence of the abandoned foundations, then such increase in resale value shall be regarded as salvage and that amount shall be paid to **Us** by **You** upon completion of the sale of the site, or shall be deducted from the final amount of any moneys payable by **Us** under this Section, whichever shall occur later.

2.5.8 CONTRACTUAL AGREEMENTS

Notwithstanding General Condition 1.4 (Subrogation) this insurance will not be prejudiced:

- (a) by **You** entering into a lease for occupancy of any Building and the terms of the lease contain a disclaimer of liability in favour of the lessor, or
- (b) if **You** have been required by contractual agreement to release railways, local governments, governments or semi-government authorities from their liability to **You** for loss or Damage covered by this Policy.

2.5.9 CAPITAL ADDITIONS

Cover is extended to include any alterations and additions to Insured Property to an amount not exceeding 20% of the total Sum Insured for Buildings and Contents, or \$500,000.00, whichever is the lesser.

2.5.10 TEMPORARY REMOVAL

Cover is extended to include Contents whilst temporarily removed from the Situation to anywhere in Australia, including whilst in transit, but excluding:

- (a) Theft from an unlocked vehicle, and
- (b) Theft of any Insured Property in the Open Air.

The maximum **We** will pay under this Additional Benefit is 20% of the Sum Insured for Contents during the Period of Insurance.

2.5.11 CONTENTS AWAY FROM THE SITUATION

Cover is extended to include Contents that are situated at the private residence of a director, partner and/or employee of the Business.

For the purpose of this Additional Benefit the definition of Contents is amended to mean, and is limited to, contents that are owned by the Business and that are used predominantly for the purpose of the Business.

The maximum **We** will pay under this Additional Benefit is 20% of the Sum Insured for Contents during the Period of Insurance.

2.5.12 REWRITING OF RECORDS

- (a) Cover for the reasonable cost of reconstructing, rewriting and/or restamping **Your** Documents following loss or Damage.
- (b) Cover for Documents belonging to **You** or **Your** clients anywhere in Australia whilst:
 - (i) in the actual possession of any of **Your** partners, directors or employees, including whilst held in their private residence, or

- (ii) in the actual possession of any other person with whom the Documents have been entrusted to or deposited with in the normal course of Business, including Documents in transit (including by courier or post).

In the event of a claim, **We** will pay the cost of reinstating, replacing, reproducing or restoring **Your** Documents including information contained in or on them, but excluding the value to **You** of that information (or any other consequential loss), or (if this is not required) the cost of materials as blank stationery at the time and place of the Damage.

The maximum **We** will pay under Additional Benefits 2.5.12(a) and 2.5.12(b) respectively is 20% of the Sum Insured for Contents.

2.5.13 LANDSCAPING

The cost of repairs and restoration to landscaping including trees, shrubs, plants, lawn and rockwork at the Situation (except for Damage caused by storm, tempest, rainwater, wind, snow, sleet or hail).

The maximum **We** will pay under this Additional Benefit is \$10,000 during the Period of Insurance.

2.5.14 DISCHARGE OF MORTGAGE(S)

We will pay the reasonable legal costs to discharge a mortgage (or mortgages) on Buildings and/or Contents following settlement of a claim on the basis of a total loss (whether actual or constructive total loss).

The maximum **We** will pay under this Additional Benefit is \$25,000 for any one event.

2.5.15 CLOTHING, TOOLS AND PERSONAL EFFECTS

Clothing, tools and personal effects (excluding Money) not otherwise insured that belong to an owner, partner, director or employee of **Your** Business, either whilst at the Situation or whilst the owner, partner, director or employee is on business of **Yours** anywhere in Australia.

The maximum **We** will pay is \$5,000.00 for any one person during the Period of Insurance.

2.5.16 TEMPORARY PROTECTION AND SECURITY GUARD

We will pay the reasonable costs and expenses necessarily incurred for temporary protection and for employment of security guards to safeguard the Insured Property pending repair or replacement, consequent upon Damage for which a claim is payable under this Section.

The maximum **We** will pay under this Additional Benefit is \$25,000.00 during the Period of Insurance.

2.5.17 EXPLORATORY COSTS

The reasonable cost of identifying and locating the source of the Damage that has caused a claim to be payable (or is likely to) under this Section where the Damage is caused by discharge, overflow or leakage from fixed apparatus, fixed appliances, fixed pipes or other systems used to hold or carry liquid of any kind (but **We** will not pay for the repair or replacement of such apparatus, appliances, pipes or other systems that give rise to the Damage).

The maximum **We** will pay under this Additional Benefit is \$25,000.00 during the Period of Insurance.

2.5.18 LOSS OF LAND VALUE

If the requirements of any statute, regulation or any municipal or statutory authority do not allow rebuilding (or only allow partial rebuilding) at the Situation, **We** will also pay the difference between the land value before the Damage and the:

- (a) the land value after such rebuilding, or
- (b) the land value after it has been determined that rebuilding is not possible.

The maximum **We** will pay under this Additional Benefit is 10% of the Sum Insured for Buildings as shown on the Schedule at the Situation where the Damage occurred, or \$100,000.00 (whichever is the lesser) less any sum paid by any authority to **You** by way of compensation.

2.5.19 LOCKS AND KEYS

If keys belonging to **You** estate property in respect of which **You** have been engaged as or for which **You** have assumed responsibility, are lost or stolen, **We** will:

- (a) pay for the keys and locks to be replaced and the reasonable and necessary cost to have the security restored to the same level of security as existed immediately prior to the loss; and
- (b) indemnify **You** in respect of the cost of temporary protection reasonably and necessarily incurred for the safety and protection of Insured Property
- (c) The maximum **We** will pay under this Additional Benefit is \$10,000.00 for any one event.

Unless otherwise stated, the Additional Benefits above are not subject to the application of the Underinsurance/Average clause in this Section.

2.6 SPECIFIC EXCLUSIONS

The following exclusions are in addition to the General Exclusions.

2.6.1 We will not pay for loss of or Damage to:

- (a) property undergoing construction, erection, alteration or addition when the value of work exceeds 20% of the Sum Insured for Buildings as shown in the Schedule, or \$500,000.00, whichever is the lesser;
- (b) Money;
- (c) Glass (as per the definition under Section 4 of this Policy);
- (d) curios, antiques or works of art unless they are in the Premises at the time of the loss or Damage (and then limited to an amount not exceeding \$20,000.00 in total unless expressly stated otherwise in the Schedule)
- (e) jewellery, furs, bullion, precious metals or precious stones;
- (f) any locomotive, rolling stock, Watercraft, or aircraft or aerial devices (including their accessories and/or spare parts);
- (g) motor vehicles, caravans, trailers, motorcycles or the accessories to any of these;
- (h) livestock, animals, birds or fish;

- (i) standing timber, growing crops and pastures;
- (j) land, provided that this exclusion will not apply to structural improvements that are not otherwise excluded in this Section;
- (k) bridges, canals, roadways, tunnels, railway tracks (other than on the Premises) dams, reservoirs (other than tanks) or their contents;
- (l) Insured Property in the Open Air (unless such property comprises or forms or attaches to part of a Building) where Damage or loss is caused by wind or water. This exclusion shall not apply to gates, walls, fences, signs and the like, or
- (m) pressure equipment arising out of failure by **You** or **Your** employees or agents to comply with the Australian Standard or other legal requirements applicable to pressure equipment.

2.6.1 **We** will not pay for loss or Damage directly or indirectly arising from or in connection with:

- (a) any legal liability of any nature;
- (b) the incorrect siting of Buildings;
- (c) demolition ordered by government, public or local authorities due to failure by **You** or **Your** agents to obtain the necessary permit required;
- (d) unexplained inventory shortages or disappearances or shortages in the supply or delivery of materials to or from **You**;
- (e) spontaneous combustion, heating or any process involving the direct application of heat, provided that this specific exclusion will be limited to the item(s) immediately affected and will not extend to other Insured Property Damaged as a result of the spontaneous combustion;
- (f) consequential loss of any kind, including loss resulting from delay or lack of performance, loss of contract or depreciation in value of any undamaged Insured Property;
- (g) Pollution or Contamination except loss or destruction of or Damage to Insured Property at the Situation caused by any sudden, unexpected or unforeseen occurrence;
- (h) adjusting, testing or servicing operations;
- (i) any process of heat treatment, welding, grinding, cutting, drilling, shaping or the application of tools but limited only to the Insured Property undergoing treatment;
- (j) recovery or repossession of the Insured Property undergoing treatment;
- (k) data processing or media failure, breakdown or malfunction of the processing system, including operator error or omission; or
- (l) any process of cleaning, dyeing, repairing or restoring.

2.6.2 **We** will not pay for loss or Damage caused by or occasioned through:

- (a) wear, tear, fading, scratching or marring, gradual deterioration or developing flaws, or normal upkeep;
- (b) error or omission in design, plan or specification or failure of design;
- (c) normal settling, seepage, shrinkage, or expansion of buildings or foundation, walls, pavements, roads and other structural improvements, creeping or heaving or vibration;

- (d) faulty materials or faulty workmanship;
- (e) total or partial cessation of work or the retarding or interruption of work or the retarding or interruption or cessation of any process or operation as the direct result of strikes, labour disturbances or locked out workers (this does not apply to the interruption or cessation or partial cessation of any work, process or operation resulting from Damage to Insured Property at the Situation caused by strikes, people involved in labour disturbances or locked-out workers);
- (f) erosion, subsidence, earth movement or collapse resulting from same;
- (g) mechanical, electrical or electronic breakdown, failure, malfunction or derangement of any machine or electrical or electronic device or temperature controlling equipment;
- (h) Flood;
- (i) action of the Sea;
- (j) access by people not authorised by **You** to **Your** computer systems and records;
- (k) the actions of moths, termites or other insects;
- (l) mildew, mould, wet or dry rot, rust, oxidation or corrosion; or
- (m) the Situation being unattended and having remained so for any period of more than 90 consecutive days, unless **Our** prior written agreement has been obtained to continue cover.

2.6.3 However, exclusions 1.13.1 to 1.13.10 will not apply to subsequent Damage to Insured Property caused by any sudden, unexpected or unforeseen occurrence despite the fact that this occurrence may in turn have been caused by any of the circumstances referred to in exclusions 1.13.1 to 1.13.10

2.7 SPECIAL CLAUSES

2.7.1 Underinsurance/Average

- (a) Insured Property (other than Rent)

With respect to Insured Property (other than Rent), in the event of loss or Damage that is insured under this Section, **We** will not be liable for more than that proportion of the Damage that the Sum Insured on Buildings, Contents and Specified Items at the Situation bears to 80% of the Full Insurable Value of such Buildings, Contents and Specified Items at the Situation at the time of the loss or Damage.

- (b) Rent

With respect to Rent, in the event of Rent lost that is insured under this Section, **We** will not be liable for more than that proportion of the Rent lost that the Sum Insured on Rent at the Situation bears to 80% of the amount of Rent for the period specified in the Schedule at the Situation, at the time of the loss or Damage.

2.7.2 Earthquake, subterranean fire, volcanic eruption Excess

An Excess of \$20,000.00 or 1% of the total Sum Insured at the Situation, whichever is the lesser, applies in respect of Damage to Insured Property caused by earthquake, subterranean fire, volcanic eruption, tsunami or fire occurring during any period of 72 consecutive hours.

2.7.3 Progress claim payments

If required by **You**, progress payments on account of any loss or Damage recoverable under this Section will be made at intervals to be mutually agreed upon subject to production of an interim report by the loss adjuster (if one is appointed by **Us**). These payments will be deducted from the final claim settlement.

Section 1 - POLICY ENDORSEMENTS

Endorsement 1 - Land, water and air exclusion clause

Notwithstanding any provision to the contrary within the Policy of which this Endorsement forms part (or within any other Endorsement which forms part of this Policy), this Policy does not insure land (including but not limited to land on which the insured property is located), water or air, howsoever and wherever occurring, or any interest or right therein. The foregoing exclusion shall not apply to water which is contained in plumbing or firefighting installations in the Assured's buildings at the time of any Damage insured by this Policy.

3 SECTION 2 – BUSINESS INTERRUPTION

3.1 THE COVER

Where this Section is shown as insured on the Schedule, **We** will pay **You** in accordance with the Basis of Settlement below for consequential loss resulting from interruption of or interference to the Business that occurs during the Period of Insurance that is caused by:

- a) an insured event covered under Section 1 – Property or Section 4 – Glass, or where cover is provided under the Additional Benefits of this Section;
- b) explosion of any boiler, pressure vessel, compressor or economiser on the Premises for which a certificate is required to be issued under the terms of any statute or regulation; or
- c) Damage to **Your** property insured under any other policy that provides the same insurance cover as Section 1 – Property or Section 4 – Glass where liability for the damage has been admitted under that Policy.

Where it is noted on the Schedule that cover is for "Item 2. Increase In Cost Of Working Only", claims will be settled in the manner explained for that item under Basis of Settlement below.

Where the application of an Excess prevents **Your** claiming for the damage, this will not limit **Your** ability to claim under this Section.

3.2 LIMIT OF LIABILITY

Depending on which item **You** have selected, **Our** total liability under this Section during the Period of Insurance will not exceed the Sum Insured stated in the Schedule for:

Item 1. Gross Profit ; or

Item 2. Increase In Cost Of Working Only.

3.3 SPECIFIC DEFINITIONS

Annual Gross Revenue * means the Gross Profit earned during the 12 months immediately prior to the date of the Damage.

Gross Revenue means the money paid or payable to **You** for services provided in the course of **Your** Business excluding GST.

Indemnity Period means the period beginning with the occurrence of the Damage and ending not later than the number of months specified in the Schedule thereafter during which the results of the Business are affected in consequence of the Damage.

Outstanding Debit Balances means the total of the outstanding debit balances of all clients appearing in **Your** books of account as at the date of the occurrence or the event, adjusted for: bad debts; amounts debited (or invoiced) and

credited to **Your** clients' accounts in the period between the last entry and the date of the event; and any abnormal condition of trade that had or could have had a material affect on the Business.

Standard Gross Revenue * means the Gross Revenue during that period in the 12 months immediately prior to the date of the Damage that corresponds with the Indemnity Period.

* Both the Annual Gross Revenue and the Standard Gross Revenue will be adjusted as necessary to provide for the trend or other variations affecting the Business, either before or after the Damage (or which would have affected the Business but for the Damage occurring) so that the adjusted figures will represent as nearly as reasonably practicable the Business results that would have been achieved during the relative period after the Damage.

3.4 BASIS OF SETTLEMENT

We will pay claims under this Section as follows:

Item 1. Gross Revenue

We will pay the actual reduction in Gross Revenue. The amount payable under this Section will be the amount by which the Gross Revenue during the Indemnity Period shall, as a result of the Damage, fall short of the Standard Gross Revenue, and less any sum saved during the Indemnity Period in respect of the charges and expenses of the Business payable out of Gross Revenue that cease or are reduced in consequence of the Damage.

Item 2. Increase In Cost Of Working Only

The increase in cost of working (not otherwise recoverable under this Policy) necessarily and reasonably incurred during the Indemnity Period as a result of the Damage for the purpose of avoiding or diminishing reduction in Gross Revenue and/or resuming and/or maintaining normal Business operations and/or service.

3.5 ADDITIONAL BENEFITS

When **We** have agreed to indemnify **You** for a claim under this Section, the Policy is extended to include the following Additional Benefits (which are in addition to the Sum Insured stated in the Schedule):

3.5.1 Claims preparation expenses

In addition to the amount payable under the Basis of Settlement for "Item 1. Gross Revenue", **We** will pay the costs of reasonable professional fees as may be payable by **You**, and other reasonable expenses necessarily incurred by **You** and not otherwise recoverable, for preparation of claims under this Section.

The most **We** will pay in respect of any one claim is \$50,000.00.

3.5.2 Other property

This Section extends to include loss due to interruption of or interference to the Business due to Damage to other property that, had it been insured under this Policy, would have resulted in an admissible claim under Section 1 – Property or Section 4 – Glass, which occurs:

- a) within a 5 km radius of **Your** Premises and prevents the use of or access to the Premises;
- b) at any electricity station or substation, gas works or water works of a public supply undertaking from which **You** obtain electric current, gas or water (provided that, where the public supply undertaking is not at or immediately adjacent to **Your** Premises, the interruption of supply must extend for longer than 48 hours for this clause 2b) to apply), and/or
- c) in any commercial complex of which the Premises forms a part or in which the Premises are contained, that prevents or hinders the use of or access to the Premises which results in cessation or diminution of trade, including any cessation or diminution of trade due to temporary falling away of potential custom.

3.5.3 Closure by authority, poisoning, murder or suicide

This Section extends to include loss due to interruption of or interference with the Business due to closure or evacuation of the whole or part of the Premises by order of a government, public or statutory authority as a result of:

- a) (i) infectious or contagious disease manifested by any person while at the Premises or by vermin or pests or defects in the drains or other sanitary arrangements at the Premises, or
- (ii) the outbreak of a notifiable human infectious or contagious disease occurring within a 5km radius of the Premises;
- b) poisoning directly caused by the consumption of food or drink provided on the Premises; or
- c) murder or suicide or attempt thereof occurring at or in the vicinity of the Premises.

However, cover under clause 3(a) above will not be available and does not apply in respect of Severe Acute Respiratory Syndrome (SARS), Highly Pathogenic Avian Influenza in Humans (including any other virus that arises in birds and subsequently attains the capacity for human-to-human transmission) or any other diseases declared to be quarantinable diseases under the *Quarantine Act 1908* and subsequent amendments.

3.5.4 Book debts

In addition to the amount payable under the Basis of Settlement for "Item 1. Gross Revenue" **We** will pay for:

- a) the loss of **Your** book debts or book debts of a client where **You** are responsible for them, which are, or become, irrecoverable as a result of Damage to books of accounts or other business records, calculated on the difference between:
 - (i) the Outstanding Debit Balances; and
 - (ii) the total of the amounts received or traced in respect thereof.
- b) The additional expenditure, incurred with **Our** prior consent, in tracing and establishing client debit balances after the date of the occurrence of the loss or Damage.
- c) The interest charges at the ruling rate of **Your** bank on any loan to offset impaired collections of such sums that become irrecoverable as a result of the Damage.

3.5.5 Fines and damages

Following a claim under the Basis for Settlement for "Item 1. Gross Revenue" for which **We** have agreed to indemnify **You**, this insurance extends to include **Your** liability that is incurred during the Indemnity Period to pay cancellation charges, fines or damages (other than aggravated punitive or exemplary damages)

- a) for breach of contract resulting from non-completion or late completion of orders for **Your** goods or services, or in discharge of contract purchases of **Your** goods or services, and/or
- b) for breach of contract for the purchase by **You** of goods or services that cannot be utilised by **You**, during the indemnity period, less any value to **You** of such goods or services or the amount received from sale.

The most **We** will pay under this Additional Benefit is 10% of the total Sum Insured for Gross Revenue. This Additional Benefit applies in addition to the Sum Insured shown in the Schedule.

3.5.6 Increase in Cost of Working

Where "Item 1. Gross Revenue" is insured under this Section, the Policy automatically extends to include cover for Increase in Cost of Working (as set out under "Item 2. Increase In Cost Of Working Only" under Basis of Settlement above).

3.6 SPECIFIC CONDITIONS

The following conditions are in addition to the General Conditions:

3.6.1 Underinsurance

If the Sum Insured for Gross Revenue at the commencement of each Period of Insurance is less than the sum produced by applying the Gross Revenue to 80% of the Annual Gross Revenue (or its proportionately increased multiple of it, where the Indemnity Period exceeds 12 months) the amount payable under this Section will be proportionately reduced.

This condition will not apply if the amount of the claim does not exceed 20% of the Sum Insured for this Section.

3.6.2 Alterations and forfeiture

We will not pay any claim under this Section if the Business is dissolved, wound up or carried on by either a liquidator, administrator or a receiver or is permanently discontinued or **You** are declared bankrupt (as the case may be).

3.6.3 Turnover elsewhere after Damage

If, during the Indemnity Period, **You** or others on **Your** behalf operate the Business from premises other than those specified in the Schedule, then the revenue so earned will be brought into account when calculating the Gross Revenue.

3.6.4 Progress claim payments

Progress payments on account of any loss recoverable under this Section will be made at intervals to be mutually agreed upon if **You** so require and upon production of an interim report by **Our** loss adjuster (if appointed).

3.6.5 Books of account

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

3.6.6 New Business

In the event of Damage occurring at the Premises before the completion of the first year's trading of the Business, the terms "Annual Gross Revenue" and "Standard Gross Revenue" shall have their meanings altered to reflect the period the Business has been trading to the date of the Damage, converted to a 12 month equivalent figure.



4 SECTION 3 - MONEY

4.1 THE COVER

Where this Section is shown as insured on the Schedule, **We** will cover **You** against loss of or Damage, not otherwise excluded, to Money as specified below which occurs during the Period of Insurance.

4.2 LIMIT OF LIABILITY

The most **We** will pay during any one Period of Insurance or for any claim arising out of one event or series of events arising directly or indirectly from one source or original cause is the Sum Insured shown in the Schedule for Combined Money.

In respect to Money on Premises outside business hours not in a securely locked Safe or Strongroom, the maximum **We** will pay is \$2,000.00 during the Period of Insurance.

4.3 SPECIFIC DEFINITIONS

Bank means a bank, credit union or similar financial institution.

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

Combined Money means the combined Sum Insured for Money in Transit, Money on Premises during business hours, Money in Securely Locked Safe or Strongroom and Money in Private Residence only.

Money in Private Residence means Money in **Your** personal custody or in the custody of persons authorised by **You**, whilst contained in the private residence of such person (provided in Australia).

Money in Securely Locked Safe or Strongroom means Money in a securely locked Safe or securely locked Strongroom on the Premises, provided that the key and details of the combination are removed from the Premises whilst closed for business, unless the key or combination are stolen from an area occupied as a private residence by forcible and violent entry.

Money in Transit means

- a) Money in **Your** personal custody or in the custody of persons authorised by **You** whilst in transit within Australia
- b) Money whilst contained in the night safe, night depository chute, or automatic teller machine of any bank.

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

Safe means a container that has been designed specifically for the storage of Money and valuables.

Strongroom means structure constructed specifically for the storage of Money and valuables.

4.4 ADDITIONAL BENEFITS

Where **We** have agreed to pay a claim under this Section, **We** will pay for the following Additional Benefits, in addition to the Sum Insured shown in the Schedule:

4.4.1 Seasonal increase

Unless the Schedule indicates otherwise, the Sum Insured shown in the Schedule for Combined Money will automatically increase by 100% during the following periods:

a) 60 days prior to Christmas Day to 30 days following Christmas Day.

b) 30 days before Good Friday to 14 days following Good Friday.

4.4.2 Bank holiday increase

The Sum Insured shown in the Schedule for Combined Money will automatically increase by 100% during the following periods:

a) bank holidays, and

b) gazetted public holidays (other than bank holidays) that fall on days adjacent to a weekend (if such a weekend occurs during the period specified under Additional Benefit 1 above, or the period specified in the Schedule for seasonal increase, only the bank holiday increase will apply).

Cover under this Additional Benefit will apply until the close of trading of **Your** Bank on the next business day following such Bank holiday or gazetted public holiday

4.4.3 Travelling Money

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

The most **We** will pay under this Additional benefit is \$2,000.00 during any one Period of Insurance.

4.4.4 Damage to Premises, or Safe or Strongroom

In respect of Damage (other than breakage of glass) to the Premises due to theft of Money or attempted theft of Money, **We** will:

a) pay for the cost of opening the Safe or Strongroom, repair or replacement of any loss and/or Damage to the Safe and/or Strongroom that was caused by the theft or attempted theft;

b) at **Our** option, pay for or repair or make good the Damage that **You** are legally responsible to repair or make good; and/or

c) indemnify **You** in respect of the cost of temporary protection reasonably necessary for the safety and protection of the Money insured, pending repair of the Damaged Premises.

The most **We** will pay under this Additional Benefit is \$5,000.00 during the Period of Insurance.

4.4.5 Reinstatement of Sum Insured

Following a claim under this Section, **We** will reinstate the Sum Insured from the date of loss. Such reinstatement will be automatic only once during any one Period of Insurance.

4.4.6 Temporary protection and security guard

If Premises or security protection equipment installed at the Premises are Damaged during a theft of Money or attempted theft of Money, **We** will pay the costs reasonably and necessarily incurred for the temporary protection of (and the employment of security guards to safeguard) the Money insured until the Premises or security protection equipment are repaired or replaced.

The most **We** will pay under this Additional Benefit is \$10,000.00 for any one event.

4.5 SPECIFIC EXCLUSIONS

The following exclusions are in addition to the General Exclusions:

We will not be liable for:

- a) any consequential loss;
- b) loss arising out of the payment of Money for, or in consideration of, a cheque or negotiable instrument that is subsequently dishonoured;
- c) loss due to shortages resulting from clerical or accounting errors, or loss due to errors in receiving or paying out;
- d) loss, destruction or damages due to, or sustained by or through theft or any attempted theft, or any act of fraud or dishonesty committed by any:
 - (i) members of **Your** family, or
 - (ii) persons in **Your** service, other than loss or destruction or Damage through theft or any attempted theft committed by persons in **Your** service following forcible and violent entry by such persons to the Premises.
- e) loss, destruction or Damage if the Premises become unattended and remain so for any period of more than 60 consecutive days, unless **Our** written agreement to continue cover has been obtained prior to the loss, destruction or Damage;
- f) loss, destruction or Damage as a result of trickery;
- g) loss of Money from an unlocked and unattended vehicle; or
- h) loss of, destruction of or Damage to Money due to ransom or extortion, other than actual assault or the threat of immediate violence to any person on the Premises.

5 SECTION 4 - GLASS

5.1 THE COVER

Where this Section is shown as insured on the Schedule, **We** will pay **You** in accordance with the Basis of Settlement below if any Glass is Damaged at the Situation.

5.2 SPECIFIC DEFINITIONS

Glass means Internal Glass and External Glass.

Internal Glass means:

- a) all internal glass, sinks, wash basins and sanitary ware and mirrors (other than hand mirrors) whilst in the Premises and/or showcase frames, display cabinets and counter frames whilst in the Premises.

Internal Glass does not include:

- glass forming part of stock in trade or merchandise;
- glassware, crystal, crockery or china; or
- imperfect glass.

External Glass means:

- external fixed glass forming part of the Premises and any shatter resistant or reflective film affixed thereto;
- ceramic tiled shop fronts; and/or

- illuminated or plastic or perspex or neon Signs belonging to the Business.

Signs means glass or plastic or the like that forms part of a sign.

5.3 BASIS OF SETTLEMENT

In the event of Damage to Glass shown in the Schedule, **We** will pay the Replacement Cost of the Glass and the related costs of its replacement up the sum insured shown in the schedule.

5.4 ADDITIONAL BENEFITS

5.4.1 External Glass

In the event of Damage to External Glass, **We** will indemnify **You** for up to a maximum of \$10,000.00 for each of the following during the Period of Insurance:

- a) replacing signwriting or ornamentation affixed to the broken External Glass;
- b) replacing burglar alarm tape or wiring affixed to the broken External Glass;
- c) temporary shuttering, boarding up or other protection reasonably necessary for the safeguarding of the premises or contents therein, pending replacement of the broken External Glass; and
- d) replacing Damaged window frames and tiled shop fronts.

5.4.2 Reinstatement of Sum Insured

Following a claim under this Section, **We** will reinstate the Sum Insured from the date of loss.

6 SECTION 5 – LIABILITY (BROADFORM)

6.1 THE COVER

Where this Section is shown as insured on the Schedule, **We** will insure **You** for all amounts which **You** become legally liable to pay as compensation or damages for Personal Injury and/or Property Damage as a result of an Occurrence during the Period of Insurance in connection with **Your** Business up to the Sum Insured for this Section as shown on the schedule.

6.2 LIMIT OF LIABILITY

6.2.1 The maximum amount for which **We** will provide indemnity for any one Occurrence shall be the Sum Insured for Liability (Broadform) shown in the Schedule.

6.2.2 Where **We** are indemnifying more than one legal entity for Liability (Broadform) in respect of the one Occurrence, the maximum amount **We** will pay in total for all legal entities **We** are indemnifying shall be the Sum Insured for this Section shown in the Schedule.

6.3 SPECIFIC DEFINITIONS

Aircraft means any vessel, craft or thing designed to transport people or goods in, or through, the air or space.

Event means:

- a single incident;
- a series or number of incidents either having the same original cause or attributable to the one source; or

- continuous or repeated exposure to substantially the same general conditions.

Geographical Limits means anywhere in the world but excluding North America for Occurrences in connection with:

- the performance of manual work;
- the ownership, occupancy or tenancy of any building, land or structure; and/or
- an unknown defect in **Your** products, exported to, sold in or supplied in North America, by **You** or on **Your** behalf.

Hovercraft means any vessel, craft or thing designed to transport people or goods over land or water, supported on a cushion of air.

Legal Costs means:

- a) the legal costs and expenses that **You** incur with **Our** written agreement in defending a claim made against **You**;
- b) the legal costs and expenses of any claimant claiming against **You** that **You** are liable to pay; and
- c) the legal costs reasonably incurred for representing **You** at any coroners inquest or any court of summary jurisdiction.

Loading or Unloading goods onto or from a vehicle means the single action of transferring the weight of the goods (or a portion of a consignment of goods) onto or from the vehicle.

Managed Organisations means any organisation other than subsidiary companies (or their subsidiaries) whose daily activities and daily decision making **You** directly control and manage.

North America means:

- a) the United States of America and Canada; and
- b) any state or territory incorporated on, or administered by, or from, either the United States of America or Canada.

Occurrence means Personal Injury or Property Damage that:

- a) is neither intended nor expected by **You**, and would not be expected from the standpoint of a reasonable person in **Your** position;
- b) is caused by an Event; and
- c) occurs within the Geographical Limits and during the Period of Insurance.

Where an Occurrence is caused repeatedly, progressively or continuously by one Event, all of the Personal Injury or Property Damage caused by that Event shall be deemed to be a single Occurrence.

Personal Injury means:

- a) bodily injury, death, sickness, disease, disability;
- b) shock, fright, mental anguish;
- c) unlawful arrest, unlawful imprisonment, wrongful detention, malicious prosecution;
- d) libel, slander or defamation;
- e) wrongful eviction, wrongful entry or other invasion of privacy; and/or
- f) assault (limited to preventing or eliminating danger to people or property).

Property means:

- a) tangible property not in **Your** possession or control;
- b) Premises that **You** occupy for the purpose of the Business and/or
- c) vehicles in **Your** possession or control while in a car park, where the car park:
 - (i) is owned, occupied, or leased by **You**;
 - (ii) does not form part of a building construction or work site, and
 - (iii) for the use of which **You** do not charge a fee.

Property Damage means:

- a) physical Damage to Property;
- b) physical destruction of Property; or
- c) loss of use of Property as a result of physical Damage to, or physical destruction of, Property.

6.4 ADDITIONAL BENEFITS

6.4.1. Your Legal Costs

We will pay **Your** Legal Costs in the case of a claim being made against **You** for which indemnity is available under this Section, or would be available under this Section if such a claim were to succeed.

6.4.2 Cover for others

Provided that they observe, fulfill and are subject to the definitions, terms, conditions and exclusions of this Section, **We** will also indemnify as though they were **You**, the following that are not named in the Schedule:

- a) Any party with whom **You** have entered into an agreement for the purpose of **Your** Business, but only for occurrences for which **You** would be liable in the absence of the agreement and only to the extent that the agreement requires **You** to indemnify that party in relation to that occurrence.
- b) Any of **Your** directors, partners, officers or employees, but only for liability incurred by them.
- c) Any canteen, or social or sporting club, or first aid, fire or ambulance service provided by **You** and incidental to the Business.
- d) All **Your** subsidiary companies (and their subsidiaries) and all **Your** managed organisations, existing at the commencement of the Period of Insurance, for the whole Period of Insurance or until they cease to be **Yours** before the end of the Period of Insurance.

But in each case, cover is limited to:

- the Business;
- Business operations carried out within Australia, and
- Occurrences within Australia.

You may request, during the Period of Insurance, **Our** agreement to insure **Your** subsidiary companies and **Your** Managed Organisations that have become **Yours** after the commencement of the Period of Insurance. If **We** agree to provide continuing cover for such companies and organisations, **We** may first require **You** to pay an additional premium.

6.4.3 Cross liabilities

Each of the parties entitled to seek indemnity under this Section will be treated as though they are separate legal entities. **We** shall indemnify one insured against liability to pay compensation to another insured as if that other insured were not a party to the Policy.

6.4.4 Care, custody and control

We will indemnify **You** against liability for the loss of, theft of or Damage to:

- a) premises tenanted by **You** to the extent that **You** would be held liable in the absence of any specific agreement; and
- b) other Property (excluding any vehicle that is registered or that is required under any legislation to be registered) in **Your** physical or legal control, or for which **You** have assumed responsibility, provided that no indemnity is granted for liability in respect of physical damage to or destruction of that part of any property upon which **You** are or have been working on, and the maximum **We** will pay under this clause 4 (b) will not exceed \$500,000.00 for any one occurrence and in the aggregate for any one Period of Insurance.

6.4.5 First aid expenses

Where **We** are indemnifying **You**, or would indemnify **You** if a claim were made against **You** for Personal Injury, **We** will also pay the expenses reasonably incurred by **You** for first aid given to others at the time of an injury.

6.5 SPECIFIC EXCLUSIONS

The following exclusions are in addition to the General Exclusions.

(NB: Where an exclusion nominates a cause of an Occurrence, the Exclusion shall apply and **We** will not indemnify **You** for **Your** liability for the Occurrence, whether or not that cause is the proximate or effective cause of the Occurrence).

We will not indemnify **You** against the following:

6.5.1 Employers' liability

- a) Liability for Personal Injury to any person arising out of, or in the course of, employment by **You**, or through the breach of any duty owed to that person, where **You**:
 - (i) are indemnified or entitled to be indemnified (either in whole or in part) in respect of claims for damages under a policy of insurance (including arrangements made by **You** to provide accident insurance for **Your** workers under a licence to self-insure) arranged (whether required by law or not) in accordance with any workers' compensation legislation or accident compensation legislation; or
 - (ii) would have been indemnified or entitled to be indemnified had **You** arranged a policy of insurance as required by such legislation;
- b) Liability for Personal Injury to any person arising out of, or sustained in the course of, the employment of such person in **Your** service in **Western** Australia, other than a person of whom **You** are deemed to be an employer by reason only of Section 175 of the Workers' Compensation and Rehabilitation Act 1981 (WA);
- c) Liability for mental anguish suffered by any person arising out of, or in the course of, that person's employment by, or service to **You**;
- d) Liability for Personal injury arising out of the harassment, libel, slander, defamation or humiliation of, or discrimination against, any person while in **Your** service or while employed by **You**;
- e) Liability of a type in respect of which indemnity previously would have been provided under a policy of insurance arranged in accordance with any workers' compensation legislation, but in respect of which indemnity has been withdrawn or reduced as a consequence of a change to the scope, terms, provisions, or requirements of such

legislation made after the commencement of the current Period of Insurance of this Policy; or

- f) Any other liability imposed by the provisions of any workers' compensation legislation or accident compensation legislation or any industrial award, agreement or determination.

6.5.2 Intentional or reckless conduct

Liability in connection with Personal Injury or Damage to Property intentionally or recklessly caused by **You** or the risk of which **You** deliberately courted.

6.5.3 Products recall and repair

Liability to pay:

- a) for the cost of recall, withdrawal from sale, inspection, repair or replacement of **Your** products;
- b) for the cost of investigation into the cause of any defect; or
- c) in connection with the loss of use of **Your** products.

6.5.4 Reinstatement, repair or replacement of Your products

Liability:

- a) to reinstate, repair or replace products; or
- b) to pay the cost of reinstating, repairing or replacing products where the loss or Damage was caused by those products.

6.5.5 Loss of use of property

Liability for loss of use of property that has not been physically Damaged or destroyed, caused by or arising out of:

- a) a delay in, or lack of, performance, by **You** or on **Your** behalf, of any contract or agreement; or
- b) the failure of **Your** products to meet warranties or representations as to performance, fitness, quality or durability (but this exclusion shall not apply to liability for physical Damage or destruction caused by other property by a product).

6.5.6 Aircraft products

Liability in connection with products that:

- a) are incorporated into the structure, machinery or controls of Aircraft; and
- b) **You** know are used in Aircraft.

6.5.7 Aircraft and Hovercraft

Liability in connection with **Your** ownership or physical or legal control of, or use by **You** or on **Your** behalf of, any:

- a) Aircraft;
- b) Land, building or structures in an area where Aircraft land or take off, or are housed, maintained or operated;
- c) Hovercraft.

6.5.8 Vehicles

- a) Liability for Personal Injury:

- (i) where such liability arises out of, is caused by, or is in connection with **Your** Ownership, operation or use of a vehicle; and
 - (ii) where the event that causes the Occurrence happens in circumstances in which that vehicle is required by law to have compulsory insurance against that Occurrence, or when such insurance cover is in force; or
- b) Liability for Damage to Property, where such liability arises out of, is caused by or is in connection with **Your** ownership, possession, operation, maintenance or use of a vehicle that is registered.

Exclusions 8(a) and 8(b) will not apply where the liability arises from:

- (i) the delivery of goods to the vehicle before the loading of the goods onto the vehicle, or arises from the collection of goods from the vehicle after the unloading of the vehicle, or
- (ii) the use of the vehicle, or plant or attachment to the vehicle, as a working tool.

6.5.9 Watercraft

Liability:

- a) in connection with **Your** ownership or use by **You**, or on **Your** behalf, of any Watercraft, greater than 8 metres in length, except whilst stored on land; or
- b) arising from Damage to Watercraft in **Your** possession or legal control, where the Watercraft is greater than 8 metres in length, except whilst stored on land.

The maximum amount **We** Will pay for all of the parties **We** are indemnifying against Damage to Watercraft in **Your** possession or legal control arising during the Period of Insurance shall be \$100,000.00.

6.5.10 Building and demolition.

Liability in connection with:

- a) the erection or demolition of buildings;
- b) the alteration of or addition to buildings not owned or occupied by **You**; or
- c) the alteration of or addition to Buildings owned or occupied by **You** where the total cost of the alteration or addition exceeds \$500,000.00.

6.5.11 Vibration and removal of support

Liability for Damage to Property in connection with:

- a) vibration; or
- b) removal or weakening of, or interference with, support to land, buildings or any other property.

6.5.12 Treatment, design and professional risks

Liability caused by, or arising out of, **Your** performance or failure to perform the following:

- a) rendering of professional advice or service;
- b) prescription or administration of treatment of, or to, persons, (including, but not limited to, grooming, beauty, cosmetic, pharmaceutical and therapeutic treatment) other than first aid;
- c) making or formulating a design or specification within the domain of the architectural, engineering, scientific, chemical,

actuarial, statistical, economic, financial or medical profession.

6.5.13 Libel and slander

Liability in connection with the publication or utterance of a libel or slander:

- a) made before the commencement of the Period of Insurance; or
- b) made by **You**, or at **Your** direction, with knowledge of its falsity.

6.5.14 Fines and punitive damages

Liability for fines or penalties, or punitive, exemplary or aggravated damages.

6.5.15 Foreign non-admitted cover

Liability under the law of any country, state or territory (outside the Commonwealth of Australia) that requires such liability to be insured or secured with an insurer or organisation licensed in that country, state or territory to grant such insurance or security.

6.5.16 Advice for a fee

Liability caused by or arising out of **Your** rendering or failure to render advice for a fee, but only where that fee, or a discrete part of that fee, is directly payable for the advice (whether written or oral).

6 SECTION 5 – MACHINERY AND/OR ELECTRONIC EQUIPMENT BREAKDOWN

6.1 THE COVER

Where this Section is shown as insured on the Schedule, **We** will pay in accordance with the Basis of Settlement for the **Breakdown** of Machinery and/or Electronic Equipment occurring during the Period of Insurance:

- a) at the Situation; or
- b) away from the Situation, provided the Machinery or Electronic Equipment is away from the Situation for a purpose connected with **Your** Business.

6.2 LIMIT OF LIABILITY

The maximum amount **We** will pay for any claim is the Sum Insured shown in the Schedule for this Section.

6.3 SPECIFIC DEFINITIONS

Breakdown means sudden and unforeseen internal electronic, electrical or mechanical component malfunction or failure which stops the function of any Machinery or Electronic Equipment and necessitates immediate repair or replacement to allow the normal use of the Machinery or Electronic Equipment to resume.

Data Media means the electronic data stored and used on computers, word processors or electronic processing systems.

Electronic Equipment means any electronic equipment including but not limited to computers, scanners, printers, word processors, electronic processing systems, photocopiers, facsimile machines or electronic cash registers used by the Business.

Machinery means any machinery (including but not limited to refrigeration units, air-conditioning units, electrical motors, fans, pumps, air compressors, boilers or pressure vessels) used by the Business.

Machinery does not include:

- a) vehicles or mobile machinery
- b) Watercraft or aircraft, or
- c) lifts, elevators or escalators.

Maintenance Agreement means an agreement that provides for repair of faults or **Breakdowns** that happen in the course of normal operation, including the cost of all parts and labour.

Period of Interruption means the period of interruption beginning on the date of the **Breakdown** and ending when normal operations of the Business resume (but no more than 12 months after the date of the **Breakdown**).

Storage Situation means the location away from the Situation where copies of Data Media are stored.

6.4 BASIS OF SETTLEMENT

We will (at **Our** option):

- a) repair or pay the costs to repair the Machinery and/or Electronic Equipment;
- b) if the item(s) of Machinery and/or Electronic Equipment cannot be repaired:
 - replace the item of Machinery and/or Electronic Equipment with an item of similar standard or specification; or
 - pay the Replacement Cost of the Machinery and/or Electronic Equipment; or
 - deduct any salvage value of the unit in part or parts from the settlement of the claim.

6.5 ADDITIONAL BENEFITS

Where **We** have agreed to pay a claim under this Section, **We** will pay for the reasonable and necessary costs that are incurred for the following Additional Benefits in addition to the Sum Insured shown in the Schedule:

6.5.1. Reinstatement of Sum Insured

If **We** make a payment under this Section for **Breakdown** of Machinery or Electronic Equipment, **We** will automatically reinstate the Sum Insured to the amount shown in the Schedule.

The reinstated sum insured applies only in relation to losses that occur after the reinstatement.

6.5.2 Refrigerant

We will pay for the replacement of refrigerant lost as a result of a **Breakdown** covered by this Section.

The maximum **We** will pay for the replacement of refrigerant is \$2,500 for each claim.

6.5.3 Expediting costs

We will pay the following extra costs or charges reasonably and necessarily incurred by **You** for the sole purpose of expediting repair of a **Breakdown** covered under this Section:

- a) the cost of dismantling, reassembly and removal of debris;

- b) the cost of repair investigations and tests;
- c) charges for overtime and work on public holidays, and
- d) express (including air) freight costs within Australia, but not including any costs of air carriage that is not by any recognised airline's scheduled service.

The maximum amount **We** will pay is \$5,000 during the Period of Insurance.

6.5.4 Temporary hire costs

We will pay the costs reasonably incurred of hiring temporary replacement Machinery of similar specification during the time taken to repair the Machinery as a result of a **Breakdown** insured under this Section. **We** will pay this benefit in addition to the Sum Insured.

The maximum amount **We** will pay is \$2,000 during the Period of Insurance.

6.5.5 Loss of information

Under this Additional Benefit, **We** will pay:

- a) any expenses which **You** can prove have been incurred by **You** strictly for the purpose of restoring or replacing Data Media by reproduction of data or information in a condition equivalent to that existing prior to the **Breakdown** (Data Media may be reproduced in an updated form if the cost of doing so is no greater than that of reinstatement in its original form); and
- b) the reasonable costs incurred by **You** to replace or restore data or information, including any overtime, night work or work carried out during public holidays;

as a result of **Breakdown** to computers, word processors or electronic processing systems and provided that the Data Media is lost or Damaged in the Period of Insurance (provided that the Data Media is at the Situation or at a Storage Situation or temporarily at any alternative location for processing purposes and/or in transit between any of these locations).

We will not pay any amount under this Additional Benefit if:

- (i) **You** do not incur the expense or costs within 12 months of the **Breakdown**; or
- (ii) in relation to any Data Media, **You** do not have a backup copy of the Data Media that is less than 5 business days old and stored at a Storage Situation.

The maximum amount **We** will pay for all claims in the Period of Insurance is \$20,000

6.5.6 Substitute electronic processing systems

Under this Additional Benefit, **We** will pay:

- a) the expenses incurred for the use of a substitute computer or electronic data processing systems of similar specification; and
- b) any other reasonable additional costs incurred by **You** to operate the substitute computer or electronic data processing systems during normal business hours.

Under this Additional Benefit, **We** will insure **You** during the Period of Interruption for the use of a substitute computer, word processor or electronic processing system after **Breakdown** of the computer, word processor or electronic processing systems used in the Business.

Under this Additional Benefit, **We** will not pay any amount for expenses incurred during the Period of Interruption where

normal operations of the computer, word processor or electronic processing systems cannot resume solely because of the discontinuance of manufacture or obsolescence of the computer, word processor, electronic processing systems or any component part of system.

The maximum amount **We** will pay for all claims in the Period of Insurance is \$20,000

6.6 SPECIFIC EXCLUSIONS

The following exclusions are in addition to the General Exclusions:

6.6.1 Events

This Section does not insure loss or damage caused by or arising out of:

- a) insured events listed in Section 1 – Property;
- b) Flood;
- c) erosion, landslide, subsidence or any earth movement; or
- d) the action of the sea, tidal wave or high water.

6.6.2 Act of a power supplier

This Section does not insure loss or damage due to any deliberate act of the power supplier, including withholding, restricting or load shedding the supply of electricity.

6.6.3 Parts

This Section does not insure loss of or damage to belts, ropes, wires, chains, tyres, dies, exchangeable tools, filters, refrigerant dryers, fuses, electric heating elements, electrical contracts, thermostats, thermostatic expansion valves, jointing, gland packing, seals, moulds, engraved cylinders, crushing surfaces, cutting blades, refractory materials, glass components, porcelain components, ceramics, refractories, felts, sieves, fabrics, lubricants, fuel catalysts or any operating media.

6.6.4 Wear and tear

This Section does not insure the cost of:

- a) replacement of parts damaged by normal use or operation; or
- b) adjustment, cleaning or recharging of refrigeration or air-conditioning equipment, unless necessary as part of the repair of loss or damage covered by this Section.

6.6.5 Maintenance, alterations and repair

This Section does not insure loss or damage caused by or arising out of:

- a) preventative maintenance work;
- b) alterations, additions, improvements, overhauls or any non-essential repairs;
- c) replacement or restoration following gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation) or damage due to cavitation;
- d) repairing chipping, scratching, denting or marring that does not materially affect the use or operation of the Machinery or Electronic Equipment; or

e) restoring loose connections or joints where no other component failure has occurred;

unless necessary as part of the repair of loss or damage covered by this Policy.

6.6.6 Testing

This Section does not insure loss or damage arising:

- a) out of the Machinery being subjected to tests involving abnormal stresses or arising out of Machinery being intentionally overloaded; or
- b) prior to successful initial commissioning or during test or experimentation.

6.6.7 Existing defects

This Section does not insure loss or damage due to faults or defects known to **You** at the time of entering into this contract of insurance.

6.6.8 Data media corruption

This Section does not insure loss or damage as a result of:

- a) total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Data Media;
 - b) **Breakdown** or malfunction of the processing system including operator error or omission in creating, amending, loading, deleting or using Data Media; or
 - c) total or partial inability or failure to receive, send, access or use Data Media for any time or at all;
- except as provided for under Additional Benefit 5 under this Section (Loss of information).

6.6.9 Underground machinery

This Section does not insure:

- a) the costs associated with the removal or reinstallation of below ground, borehole or submersible pumps or motors; or
- b) **Breakdown** of any below ground, borehole or submersible pump or motor unless the pump or motor is fitted with a fully operational low pressure or low flow cut-out switch.

6.6.10 Statutory requirements

This Section does not insure loss or damage due to failure to comply with statutory requirements relating to the safeguarding or operation of the Machinery or Electronic Equipment.

6.6.11 Safety devices

This Section does not insure safety devices lost or damaged as a consequence of the operation of these devices.

6.6.12 Maintenance Agreement

This Section does not insure the costs for repairing or replacing Machinery and/or Electronic Equipment if the manufacturer, supplier, agent or any other person is responsible under the terms of a Maintenance Agreement.

6.6.13 Consequential loss

This Section does not insure loss of use, loss of earning capacity or any other consequential loss, including interruption of

or interference to the Business (apart from the cover provided by Additional Benefit 6 (Substitute electronic processing systems)).

7 SECTION 6 – GENERAL PROPERTY

7.1 THE COVER

Where this Section is shown as insured on the Schedule **We** will indemnify **You** against loss or Damage to **General Property** anywhere in Australia caused by any sudden, unexpected or unforeseen occurrence during the Period of Insurance (which is not otherwise excluded) and in accordance with the Basis of Settlement.

7.2 LIMIT OF LIABILITY

The maximum amount **We** will pay under this Section during the Period of Insurance for **Unspecified General Property** is the Sum Insured shown in the Schedule, but subject to the maximum limit for any one item as shown in the Schedule.

The maximum amount **We** will pay for **Specified General Property** is the Sum Insured shown in the Schedule for these items.

7.3 SPECIFIC DEFINITIONS

General Property means Unspecified General Property and Specified General Property

Unspecified General Property means those Contents used in connection with the Business that are predominantly for a purpose or an activity conducted away from the Situation.

Specified General Property means the property of **Yours** specifically described in the Schedule under this Section of the Policy.

BASIS OF SETTLEMENT

We will (at **Our** option):

- a) pay **You** the cost of replacing the **General Property** at the time of loss or Damage up to its Replacement Cost; or
- b) repair the **General Property** to a condition equal to but not better or more extensive than its condition when new; or
- c) replace the **General Property** with an item of equal output or capability.

7.4 SPECIFIC EXCLUSIONS

The following exclusions are in addition to the General Exclusions:

7.4.1 We will not cover loss or Damage to **General Property** under this Section which is:

- a) covered under any other Section of this Policy;
- b) being constructed, erected, altered, manufactured, cleaned or repaired; or
- c) sporting equipment whilst in use.

7.4.2 We will not cover loss or Damage in connection with or caused by:

- a) Flood;
- b) action of the sea, tidal wave or high water;
- c) fraudulent or dishonest acts, fraudulent misappropriation, embezzlement, forgery, counterfeiting, data corruption,

unauthorised amendment of data, or erasure by electronic or non-electronic means involving Business property committed by **You** or by any employee(s) of **Yours** or with **Your** knowledge, by any family member, whether acting alone or in collusion with any other person(s) or unexplained disappearance or unexplained inventory shortage, whether resulting from clerical or accounting errors or shortages in supply or delivery of materials to or by **You**;

d) wear and tear, fading, scratching or marring, rust, corrosion, mildew, mould, Pollution or Contamination, wet or dry rot, change of colour, flavour, texture or finish, dampness of atmosphere, variation in temperature, evaporation, disease, inherent vice, latent defect, loss of weight, depreciation, gradual deterioration or developing flaws, normal upkeep or making good, smut or smoke from industrial operations (other than sudden or unforeseen Damage resulting therefrom);

e) erosion, subsidence, earth movement or collapse resulting from any of these;

f) kidnapping, bomb threat, threat of contamination, hoax, extortion or any attempt at any of these;

g) the action of moths, termites or other insects;

h) faulty materials;

i) faulty workmanship;

j) wrong or incorrect design, plan or specification or failure of design; or

k) mechanical, electrical or electronic **breakdown**.

7.4.3 We will not cover:

a) any legal liability of any nature, or

b) consequential loss of any kind.





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