

Australian Unity First Option Business Insurance

Product Disclosure Statement



Dated 10 March 2004

Application Form

First Option Business Insurance Application



Important Information

Code of Practice

Australian Unity supports the General Insurance Code of Practice. This means we:

- set down standards of service;
- set out terms of your policy in plain language and assist you in understanding your rights and obligations;
- work with you in a helpful and informed relationship; and
- explain to you how to make a claim and in the case of a dispute, provide a free and fair dispute resolution process;

Your Duty of Disclosure (please read carefully)

Prior to entering into a contract of general insurance You have a duty to disclose certain information. You have the same duty to disclose prior to renewing, extending, varying or reinstating a general insurance contract.

What you must tell us

When answering Our questions, You must be honest and You have a duty under law to tell Us anything known to You, and which a reasonable person in the known circumstances would include in answer to the question. We will use the answers in deciding whether to insure You and anyone else to be insured under the Policy, and on what terms.

Who needs to tell Us

It is important that You understand You are answering all Our questions in this way for yourself and anyone else whom You want to be covered by the Policy.

If You do not tell Us

If You do not answer the questions in this way, We may reduce or refuse to pay a claim, or cancel the Policy. If You answer our questions fraudulently, We may refuse to pay a claim and treat the Policy as never having worked.

Important

This duty of disclosure applies to all the people named on the Application Form. Please read this Policy carefully to ensure:

- You are aware of all the contractual rights and obligations
- the Policy provides the cover You require
- You are aware of the limits regarding Policy coverage and what We will pay You under the Policy.

Under Insurance/Average

The Fire and Specified Perils, Business Interruption and Electronic Equipment sections of this policy are subject to an under Insurance/Average clause. The effect of this clause is that if, at the time the insurance is proposed or subsequently renewed as the case may be, the sum insured is less than 80% of the full value of the property insured, then You could be called upon to bear a proportionate amount of the loss accordingly. To avoid the possibility of having to bear a portion of any claim You should ensure that You are fully covered at all times.

Form Completion

Please answer all questions. Please tick (✓) appropriate boxes and provide details as requested. If there is not enough space provided to answer a question please complete your answer on a separate sheet of paper and attach it to the Application Form.

The Insured

Insured name/Policy Holder

Contact Person Details

Mr Mrs Miss Ms Dr Other _____

Given Names _____

Surname _____

Title _____ Date of birth _____/_____/_____

Telephone - Work ext () _____ Telephone - Home () _____

Preferred Contact Day _____ Preferred Contact Time ____:____am/pm

Email Address _____

ABN (You must supply this if you wish to claim GST input credits on this insurance.)

Full names of Directors if a Company

Company Telephone Number () _____

Details of the Premises

What is the risk address you wish to insure? _____
_____ Postcode _____

What is your postal address for correspondence? (if same, write "as above") _____
_____ Postcode _____

Do you own the building? No Yes

Does anyone have a mortgage or a financial interest over the premises or the plant and machinery?

No Yes

1st Interested Party - Name of company? _____

Address _____

_____ Postcode _____

2nd Interested Party - Name of company? _____

Address _____

_____ Postcode _____

What is the nature of the Business and what is the property used for/intended to be used for? Describe fully.

Are hazardous chemicals, flammable liquid and/or gases kept on premises?

No Yes Please give details including type/s, storage arrangements, and quantity below

What type of building is it?

Free standing Residential

Shared/Partitioned Commercial

Multi-storey Which floor/level is Your business located on? _____

No. of storeys/floors excluding basements? _____ No. of basements/floors _____

Details of the Premises *cont.*

Are the premises shared with other occupants? No Yes

Who controls the external doors? _____

How long have You been conducting this Business or owned this Property?

At this situation _____ Elsewhere _____

What is the roof made of? _____ What are the walls made of? _____

What is the floor made of? _____ What is the age of your premises? No. of years _____

When was the wiring/plumbing last checked/repaired/replaced? _____

What is the size of your premises?

No. of square meters _____ OR No. of square feet _____

What protection is installed on the premises?

Deadlocks on all external doors

All windows key locked or fixed glass

Bars/grilles/padlocks on windows/skylights

Local Burglar alarm

Monitored burglar alarm

Name of Security Service

Safe Installed

Smoke detectors/fire alarm system

Sprinkler System

Employee ID/security desk check

Electronic supervision

Fire extinguishes or internal hose reel

Monitored fire alarm

Non metropolitan areas only-reticulated/mains water supply

Fire blanket

Describe any other security precautions

Are books of accounts of the Business audited every year?

No Yes Name and Telephone number of auditor _____

Occupation Details

Is there any commercial cooking done on these premises No Yes

If yes please specify the numbers and type of cooking **(insert number)**

Wok Oven Stove Hot Plate/Grill

Deep Frying please specify total litres of deep frying _____ltrs

Other Cooking methods please specify _____

Are all deep fryers fitted with an automatic thermostat cutt off? No Yes

How regularly do you clean the filters? _____

How regularly do you clean the exhaust ducts, grease cups and/or drip pans? _____

What is the latest time you trade to? _____ How many days per week do you trade until this time? _____

Do you provide entertainment No Yes

If yes please provide full details _____

Are you licensed to serve alcohol? No Yes

In the past 5 year has your business or any of the employees or proprietors of your business ever been found to be in breach of any regulation, law or by-law pertaining to the safe and hygienic provisions in relation to the serving, cooking, handling and/or transportation of food the responsible service of alcohol No Yes

Section 1 - Fire and specified Perils

Buildings (including all landlord's fixtures and fittings, wall, gates and fences).

Sum Insured

NOTE: The sum insured should include an amount for architects' and other consultants' fees and the cost of removal of debris.

\$ _____

1. Stock You own or hold in trust or on commission or for which You accept responsibility:

a. Stock (excludes b.c.& d.) \$ _____

b. Tobacco, cigars and cigarettes \$ _____

c. Customers goods \$ _____

d. Liquor or Alcohol \$ _____

2. Contents \$ _____

3. Cost of re-writing Business books and records. \$ _____

4. Cost of removal of debris (other than provided). \$ _____

5. Other Items. \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

Section 2 - Business Interruption

Subject to the conditions of the PDS Business Interruption insurance will cover You for loss of Standard Revenue or Gross Profit (Total revenue less the direct cost, eg purchase price, freight, packaging of goods sold), that results from a loss insured under the following sections of the policy:

Fire and Specific Perils Burglary Glass Breakage Money

Provided the Sum Insured is not exhausted We allow up to \$10,000 in addition to Your Standard Revenue or Gross Profit for Accountants' fees to prepare documentation to substantiate a loss under this section unless You nominate a different amount in the space provided below.

Do You wish to insure for Business Interruption?

No Go to section 3

Yes

Gross Profit is Money paid or payable to You for goods sold (less the net purchase price of the goods) and/or for services rendered in the course of Business at Risk Address.

No

Yes Gross Profits (12 Months) \$ _____

Wages not included above \$ _____

Loss of Rent \$ _____

What benefit period would You like? (3,6,9 or 12 months) _____ months

Do You wish to increase the Sum insured for Accountants' fees from \$10,000?

No Yes \$ _____

Do You require additional cover for Increased Cost of Working following a loss?

No Yes \$ _____

You may choose to insure for Business Interruption at *Suppliers'* or *Customers'* business premises.

Do you wish to cover Gross Profit at such locations, located within Australia?

No Yes \$ _____

If yes please provide address _____

Postcode _____

Section 3 - Burglary

Do You wish to insure for Burglary?

Yes No Go to section 4

Burglary Sums Insured include the property insured, and damage caused to tenanted premises, removal of debris and up to \$3,000 to re-write Business records following theft or attempted theft.

Which items do You wish to have insured?

	Sum Insured
1. Stock	\$ _____
2. Cigarettes, tobacco, and cigars.	\$ _____
3. Customers Goods	\$ _____
4. Alcohol and liquor.	\$ _____
5. Contents	\$ _____
6. Cost of re-writing business books and records.	\$ _____

Section 4 - Loss of Money

This section covers You for loss or damage to Money (which includes cash, credit card vouchers and cheques but excluding bullion, and credit cards), belonging to You or for which You are responsible.

Do you wish to insure for loss of money?

Yes No Go to section 5

	Sum Insured
1. Whilst in transit or whilst contained in a Bank night safe.	\$ _____
2. Whilst at the Risk Address during normal Business hours.	\$ _____
3. Whilst contained in a locked Safe or Strongroom.	\$ _____
4. Whilst contained in the residence of You or persons authorised by You provided that Our liability will cease at Bank closing time on the next Bank Business day following that on which the transit of the Money to the residence was completed.	\$ _____
5. Money in the building at the Risk Address during non-businness hours (provided Item 2 insured) but not contained in a locked Safe or Strongroom.	\$ _____
6. Damage to Safe/Strongroom (provided Item 3 insured).	\$ _____

Please supply details of Safe or Strongroom.

Make and model _____ Construction _____

Locking Mechanism _____ Dimensions _____

7. You may wish to insure Money on a combined basis. This will cover You for all the above sections up to the Sum You select. (After hours at the Business premises limit \$500.)

Amount insured for combined Money \$ _____

Section 5 - Glass Breakage

Do you wish to cover Your glass against breakage?

Yes No Go to section 6

1. External Glass Yes No

Does your building have a glass exterior construction, atrium, leadlights or any other glass feature?

Yes No

If yes please specify _____

Is any of the property proposed for insurance under this section now broken or damaged?

Yes No

If yes please specify _____

Do you wish to increase the limit of \$2,000 on signwriting, ornamentation etc?

Yes No Sum Insured \$ _____

2. Fixed Internal Glass

Yes No

3. Glass in signs.

Yes No Sum Insured \$ _____

Section 6 - Broadform Liability

This section covers You for Your liability to pay compensation to others as a result of an Occurrence in connection with Your Business.

1. Do You wish to insure for Broadform Liability?

Yes No Go to section 7

Sum insured for **Public Liability** (Limit any one Occurrence) \$ _____

Sum insured for **Products Liability** (Limit any one Occurrence and in aggregate for any one Period of Insurance) \$ _____

Property Owners Risk Only?

No Yes \$ _____

2. Do You in Your normal course of Your Business have the property of others in Your care, custody or control?

No Yes

a. Do You require indemnity for any damage to such property above the limit provided for in the PDS?

No Yes

If yes, please advise limit of indemnity required. Provide full details of such property _____

\$ _____

b. Motor repairers - do you require cover for customer's vehicles whilst on the road or test driving?

No Yes

If yes, please advise limit of indemnity required. Provide full details of such property _____

\$ _____

3. Do You have any of the following at the risk addresses:

No of Units/spaces

a. Car parking spaces No Yes _____

b. Passenger or Goods Lifts, Escalators No Yes _____

c. Unregistered Vehicles, hoists, cranes and/or other lifting equipment No Yes _____

If you have answered yes to 3a,b,and/or c above please provide details including numbers and usage. _____

4. Annual Gross Turnover/Rent _____ No. of employees _____

Details of Your products

Products Liability covers anything (including components, container, wrapping or packaging) that has ceased to be in Your possession that has been sold, supplied, manufactured, grown, extacted, produced, processed, assembled, constructed, erected, installed, repaired, treated, resupplied or distributed by You in the course of Your business.

5. Please provide details of Your products,there intended use and estimated annual turnover of each product.

6. Do You:

export	No <input type="checkbox"/>	Yes <input type="checkbox"/>	import	No <input type="checkbox"/>	Yes <input type="checkbox"/>
repack	No <input type="checkbox"/>	Yes <input type="checkbox"/>	relabel	No <input type="checkbox"/>	Yes <input type="checkbox"/>
manufacture	No <input type="checkbox"/>	Yes <input type="checkbox"/>	assemble	No <input type="checkbox"/>	Yes <input type="checkbox"/>
recondition	No <input type="checkbox"/>	Yes <input type="checkbox"/>	process	No <input type="checkbox"/>	Yes <input type="checkbox"/>

If You answered yes to any part of this question, please give full details, including estimated annual turnover for that process, and for imports/exports, please detail the countries of origin/delivery.

Section 7 - Transit of property by road

Do You wish to cover property in transit by road?

No Yes Go to question 8

How many Vehicle will be used to convey the property? _____

Registration numbers of nominated vehicles (only vehicles whose registration is nomiated will be covered.

State all type of goods to be covered.

Sum Insured per Vehicle \$ _____

Will the goods in transit include cigarettes, tobacco or liquor?

No Yes Sum Insured \$ _____

Section 8 - Electronic equipment

Do You wish to cover Computers and Electronic equipment?

Yes No Go to section 9

Please list equipment to be covered.

	Value
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

Do You wish to insure for:

		Sum Insured
1. Restoration of Data? No <input type="checkbox"/> Yes <input type="checkbox"/>		\$ _____
2. Increased cost of Working? No <input type="checkbox"/> Yes <input type="checkbox"/>		\$ _____
3. Transit or Temporary Removal? No <input type="checkbox"/> Yes <input type="checkbox"/>		\$ _____

Item

_____	\$ _____
_____	\$ _____
_____	\$ _____

Section 9 - Machinery Breakdown

Do you wish to insure for Machinery Breakdown ?

Yes No Go to section 10

Maximum any one claim \$5,000

Maximum Indemnity \$10,000 per annum

1. Specify unit numbers in the boxes provided for All motors to be covered **under 5h.p. or 4kw**

- Refrigerators
- freezers
- cool rooms
- air-conditioning units
- Boilers and pressure vessels (specify size & type below)
- Others- please size and type of each machine below

Specify ALL motors to be covered **exceeding 5hp or 4kw**

Unit Name/Type of Use	Serial Number	Hp or KW	Age(yrs)	Approx Value

Is there any apparent known defects in any of the specified machinery ? YES NO

If yes please specify _____

Do any of the items insured require a certificate of inspection ? YES NO

If yes please specify (NB prior approval required)_____

NB this section specifically excludes cover for lifts, escalators or other people moving devices

Section 10 - General Property

General Property cover is designed for portable property including tools of trade and mobile phones whilst away from the Risk Address, within Australia.

Do You wish to insure for General Property Cover?

Yes No Go to Additional Questions

Part 1 - Specified Items

Item	Item
_____ \$ _____	_____ \$ _____
_____ \$ _____	_____ \$ _____
_____ \$ _____	_____ \$ _____

Part 2 - Unspecified Tools of Trade

This Part allows You to insure tools of trade as a single total sum insured, limited to \$1,000 any one item.

No Yes Sum Insured \$ _____

Additional Questions

All of the following questions must be answered

Have you, your partners, any other office-holders; or if a corporation any of its directors proposed to be insured under this policy, either alone or jointly in the last 5 years;

1. Had any insurance declined, cancelled or refused renewal, had any special conditions/warranty imposed, or been required to pay an increased premium or excess in the last 5 years?

No Yes Please give details below

2. Suffered any loss, destruction or damage and/or made a claim on any insurer for any event whether insured or otherwise in relation to business insurance group assets or legal liability in the last 5 years?

No Yes Please give details including name of insurer, amount and relevant dates

3. Been charged with or convicted of any criminal offences or entered into a good behaviour bond or do you have any charge pending for any criminal offence/s in the past 5 years?

No Yes Please give details below

4. Been declared bankrupt or entered into any scheme or arrangement with your creditors in the past 5 years?

No Yes Date ____/____/____

Period of Insurance

From ____/____/____ To ____/____/____

Do you have an existing policy or a cover note with Australian Unity?

No Yes Existing Policy or Cover Note Number _____ Date of expiry ____/____/____

Has this business/property been insured previously?

No Yes Name of Insurer(s) _____

Policy Number _____ Date of expiry ____/____/____

Office Use Only

Policy Number _____

Agency Number or name _____ Quote Number _____

Corporate Number _____ Receipt Number _____

Declaration

"I/we have read the duty of disclosure included in this Application Form. I/we confirm that the answers and statements in this application are correct and that no information has been withheld which may affect the decision to accept this application or the terms and conditions.

I/we acknowledge that the personal information Australian Unity collects from me/us is collected for the purpose of processing this application, fulfilling Australian Unity obligations in providing services to me/us, for the development of products and services, and to allow the Australian Unity Group to market products and services. A current sample of those products and services appears on the back cover of this Policy wording. If I/we do not provide relevant information, I/we acknowledge that Australian Unity may be unable to process my/our application. I/we acknowledge that information may be disclosed to:

- Intermediaries through which I/we deal with Australian Unity (for instance an agent, broker or financial advisor);
- Claims assessment participants (for instance an assessor, investigator and/or loss adjuster);
- Other reputable service providers (for instance mail houses); and/or
- Underwriters, who are responsible for part/all of the risk under a contract of insurance (for instance a reinsurer).

I/we understand that Australian Unity may give to or obtain from other insurers and/or Insurance Reference Services information from this application and claims information obtained through the course of the contract.

By signing this Application Form, I/we consent to the Australian Unity Group collecting and using this information for these purposes. This is subject to my/our right to opt out of receiving various direct marketing material at any time.

I/we acknowledge that I/we have rights to access our personal information held by Australian Unity in accordance with the National Privacy Principles. I/we understand that this insurance does not operate until acceptance of this application in writing by Australian Unity (except for any cover provided under an interim contract of insurance)."

Signature _____ Date: ____/____/____

Signature _____ Date: ____/____/____

This declaration MUST be signed by or on behalf of all parties who are making this application for insurance.

Melbourne 114 Albert Road South
Melbourne, Vic 3205.
PH (03) 9697 0219, Fax: (03) 9697 0391

Parramatta Level 1, Suite 4, 27 Hunter
Street, Parramatta NSW 2150
PH (02) 9689 1990, Fax(02) 9687 4329

Adelaide 28 Greenhill Road
Wayville SA 5038
PH (08) 8274 2188, Fax (08) 8357 0255
PO Box 348 Goodwood, SA 5034

Sydney Level 2, 309 Pitt Street
Sydney, NSW 2000.
PH (02) 9261 1717, Fax (02) 9261 5664

Brisbane 307 Queen Street
Brisbane, QLD 4000.
PH (07) 3214 7880, Fax (07) 3214 7890
PO Box 2217 Brisbane QLD 4000

Perth Level 10, 105 St Georges Terrace,
Perth WA 6001
PH (08) 9324 3699, Fax (08) 9324 3599
PO Box 2502 Perth WA 6001

Table of Contents

First Option Business Insurance Product Disclosure Statement

Important Information	2
General Definitions	4
General Conditions	5
General Exclusions	8

Sections

Fire and Specified Perils	10
Business Interruption	15
Burglary	17
Money	19
Glass	21
Broadform Liability	22
Transit of Property by Road	27
Electronic Equipment	28
Machinery Breakdown	31
General Property	33

Important Information

About the Product Disclosure Statement

This product is issued by Australian Unity General Insurance Limited ABN 47 004 125 268 and AFS Licence No. 234438, 114 Albert Road South Melbourne, VIC 3205. The information in this booklet is current at the date of preparation. If the information changes We will issue a supplementary or replacement product disclosure statement (PDS). This product is distributed through selected Australian Unity representatives.

The information in this PDS will assist You to make an informed decision about Your insurance. It contains information about the policy, its features, benefits, risks and costs. Please read it carefully. This product is distributed through Australian Unity selected representatives.

Your Records

This PDS, the Policy Schedule and any endorsements are a record of Your cover. They are important documents containing the terms and conditions which apply to Our agreement. You may need to refer to them periodically and particularly when the Policy is due for renewal or at the time of a claim. Please keep them in a safe place.

Our Agreement

The agreement between us consists of:

- Your application;
- This PDS;
- Your Policy Schedule; and
- any Endorsement.

A Policy Schedule is issued when We agree to cover You and You have paid (or agreed to pay) the premium including any relevant government charges by the inception/due date.

Our liability is limited to:

- the period of insurance shown on your Policy Schedule;
- to the Policy sections set out on Your Policy schedule; and
- to the sums(s) insured set out in Your Policy schedule unless we have agreed to pay more as an additional benefit.

Your Cooling-off Period

Please read this PDS and Your Policy Schedule carefully to make sure You understand the cover provided and that it is adequate. You have fourteen (14) days after You receive the Schedule to alter Your cover should you need

to. If, for any reason, you are not completely satisfied with Your Policy We may agree in writing to alter it to meet Your needs. Alternatively, You may cancel Your policy within the 14-day period by returning it to Us with Your written instruction.

If You cancel within the 14 day period the premium You have paid will be refunded, provided no event has occurred for which a claim is payable under the Policy.

Code of Practice

We fully support the General Insurance Code of Practice. It is aimed at improving standards within the general insurance industry. The Code was jointly developed by the Insurance Council of Australia, insurance companies, consumer groups and the federal government.

This means we:

- set down standards of service;
- set out the terms of the Policy in plain language and assist You in understanding Your rights and obligations;
- work with you in a helpful and informed relationship; and
- explain to you how to make a claim and in the case of a dispute, provide a free and fair dispute resolution process.

Our Privacy Commitment

Australian Unity respects the privacy rights of its members and customers and is committed to complying with all applicable privacy laws. These laws include the Privacy Act 1988, which incorporates the National Privacy Principles for the fair handling of personal information, as administered by the Office of the Federal Privacy Commissioner.

What this means for you

We will be fair in the way We collect personal information and We will only collect personal information necessary for what We do. We will be open with what We do with Your personal information and it will only be used or disclosed in ways that are reasonable. We will be open with You about the personal information We hold about You and We will let You correct it should it be wrong. A copy of our Privacy Policy is available at www.australianunity.com.au or You can request a copy by calling 13 29 39.

Important Information

Dispute Resolution

Australian Unity takes very seriously any dissatisfaction that You may have about any aspect of Our products and services. We are proud of Our products, staff and Our service, so if You're unhappy, we want to help. To achieve this, We offer an internal dispute resolution service, which is both fair and free of charge.

If You have a complaint, please talk it over with one of Our staff. Our general insurance staff have specialist insurance knowledge, will listen to Your concerns and suggest the most appropriate course of action. If they can't sort out the problem to Your satisfaction, Your complaint will be referred to a manager at which point most concerns are settled on the spot. Should You still not be satisfied, You can contact Our Internal Disputes Resolution Co-ordinator by telephoning (03) 9697 0219. Australian Unity's Internal Dispute Resolution Committee will completely review Your complaint and may ask You to attend a formal conciliation meeting. A final decision will normally be made within 15 working days. In the event You wish to take a claims matter further, You can contact the independent industry body, Insurance Enquiries and Complaints Ltd (IEC) on 1300 780 808. This service is provided to You free of charge.

Your Duty of Disclosure

Prior to entering into a contract of general insurance You have a duty to disclose certain information. You have the same duty to disclose prior to renewing, extending, varying or reinstating a general insurance contract.

What You must tell Us

When answering Our questions and in providing other relevant information, You must be honest and You have a duty under law to tell Us anything known to You, and which a reasonable person in the known circumstances would include. We will use this information in deciding whether to insure You and anyone else to be insured under the Policy, and on what terms.

Who needs to tell Us

It is important that You understand You are answering all Our questions in this way for yourself and anyone else whom You want to be covered by the Policy.

If You do not tell Us

If You do not answer the questions in this way, We may reduce or refuse to pay a claim, or cancel the Policy. If You answer Our questions fraudulently, We may refuse to pay a claim and treat the Policy as never having operated.

Important

This duty of disclosure applies to all the people named on the Application Form. Please read this PDS carefully to ensure:

- You are aware of all the contractual rights and obligations;
- the Policy provides the cover You require; and
- You are aware of the limits regarding Policy coverage and what We will pay You under the Policy.

Business Insurance

This insurance policy incorporates ten different classes of insurance. You are insured only in respect of those classes specified in the Schedule. The Schedule should be checked to ensure that You have the class and extent of cover You require.

The available classes of insurance are:

- Fire and Specified Perils - Compulsory Section
- Business Interruption
- Burglary
- Money
- Glass
- Broadform Liability
- Transit by Road
- Electronic Equipment
- Machinery Breakdown
- General Property

The basis of this Our Agreement with You is the written application for insurance, Your Policy wording including the current Schedule.

The Schedule activates the cover under Your Policy and indicates which classes of insurance have been taken and which property is insured. If You pay the premium shown on the Schedule, We will provide You with the cover selected and shown on Your Schedule in accordance with the relevant Sections contained in Your Policy. Any variation to Your Policy will be shown on, or attached to the Schedule. The General Definitions, General Conditions and General Exclusions apply to all Sections of Your Policy.

When Your Policy is renewed for a further term Our renewal certificate will be issued as the current Schedule.

Words defined in the General Definitions have the same meaning wherever they appear in Your Policy. Words defined in individual Sections have that meaning wherever they appear in that Section. Where any word is defined every derivative of that word has a corresponding meaning.

We will only be liable for occurrences giving rise to a claim within the Period of Insurance shown on the Schedule.

General Definitions

Applicable to All Policy Sections

Aircraft: means any, craft or device designed to travel in, on or through the air.

Business: means Your Business, trade or occupation carried on at or from the Risk Address.

Excess: means the amount specified in the Schedule that You shall first contribute towards each claim arising out of any one event before becoming entitled to cover under Your Policy.

Flood: means the inundation of normally dry land by water that has escaped from the normal confines of any natural or artificial watercourse, lake, lagoon, reservoir, canal or dam. It also includes water discharged from sewerage or waste water systems due to pressure induced by Flood water.

Limit Of Indemnity: means the maximum amount We will pay in total for claims We accept as shown as the sum insured on Your schedule or as determined by Your Policy wording where such limits are detailed.

Money: means cash including coins and banknotes, credit card vouchers, cheques, Money orders, unused postal and revenue stamps (including the value of prepaid franking machine credits), telephone cards, metropolitan transit tickets, lottery tickets and negotiable securities, notes and instruments that You own or for which You are legally responsible.

Period of Insurance: means the period of time stated in the Schedule for which Your Policy is in force.

Policy/Your Policy means: this PDS/policy wording, the application, the schedule and any special conditions or endorsements issued to you in either electronic or written form.

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

Risk Address: means the location of the Business shown in the Schedule.

Rainwater: means rain falling naturally from the sky including Rainwater runoff over the surface of the land.

Schedule: means the certificate of insurance issued by Us and forming part of Your Policy that records Your name and address, policy number, the Period of Insurance, details of the insurance etc. It also includes:

a) any endorsements or variations to the standard policy wording contained in this booklet that We have agreed to and confirmed in writing;

b) If Your Policy has been renewed, the relevant renewal certificate; and

c) a reference to an interim cover certificate or cover note, being a certificate issued by Us to provide You with temporary insurance.

Section: means each of the classes of insurance contained in this booklet. The Sections that apply to You are shown in the Schedule.

Sum Insured: means the amount shown in the Schedule as the Sum Insured for the property listed in each Section.

Terrorism: means an act of violence or an act dangerous to human life, tangible or intangible property or infrastructure by any person or persons, whether acting alone or on behalf of any organisation or government, with the effect to influence any government or to put the public or any section of the public in fear.

Total Sum Insured: means the total of all Sums Insured under any one Section of Your Policy as listed in the Schedule.

Watercraft: means any vessel, craft or thing made or intended to float on or through water and which is powered or designed to be powered by motors, or is a sailing craft exceeding three (3) metres in length.

We, Us or Our: means Australian Unity General Insurance Limited ABN 47 004 125 268, AFS Licence No. 234438, 114 Albert Road, South Melbourne, Victoria 3205.

You or Your: means the insured shown in the Schedule.

Your Property: means the property insured under the applicable Section of Your Policy and described for the purpose of that Section in the Schedule.

[Some other words have special meanings and they are explained where they occur in the Policy.](#)

General Conditions

Applicable to All Policy Sections

1. Goods and Services Tax (GST)

Where we make a payment under this Policy for the acquisition of goods, services or other supply, We will reduce the amount of the payment by the amount of any input tax credit that You are, or will be, or would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999, in relation to that acquisition, whether or not that acquisition is actually made.

Where We make a payment under this Policy as compensation instead of payment for the acquisition of goods, services or other supply, We will reduce the amount of payment by the amount of any input tax credit that You would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 had the payment been applied to acquire such goods, services or other supply.

2. Alteration of Risk

You must notify Us in writing as soon as possible after the commencement of Your Policy of any changes in Your Business carried on, or other circumstances affecting the premises at the Risk Address, or the Property Insured, which increase the risk of loss, destruction, damage or liability.

Until You obtain Our written agreement to cover the alteration of risk and agree to pay any additional premium We may require, We shall not be liable for loss, destruction, damage or liability caused or contributed to by any such alteration, except where We expressly allow alterations in the relevant Sections of Your Policy.

3. Cancellation

You may cancel this policy at anytime by notifying Us in writing in which case We will retain the pro-rata rate for the time the Policy has been in force.

We may cancel this Policy by giving You written notice to the effect where You have:

- Failed to comply with the duty of utmost good faith;
- Failed to comply with the duty of disclosure at the time when the Policy was entered into;
- Made a misrepresentation to Us during the negotiations for the Policy before We entered into the Policy;
- Failed to comply with a provision of the Policy;
- Failed to pay the premium or failed to pay any instalments for longer than one month;

- Made a fraudulent claim under this Policy or any other policy of insurance (whether with Us or another insurer) that provided insurance cover during any part of the period during which this Policy of insurance provides insurance cover; or
- Failed to notify Us of any specific act or omission where such notification is required under the terms of the Policy. We may cancel this Policy pursuant to any right at law but subject to the provisions of the Insurance Contracts Act 1984.

When we cancel the Policy it will have effect from whichever of the following times is the earliest:

- The time when another policy of insurance replacing this Policy is entered into; or
- 4 o'clock in the afternoon of the third business day after the day on which notice was given to you. Unless this Policy was in force by Virtue of Section 58 of the Insurance Contracts Act whereby the cancellation will take effect from the fourteenth business day after the day on which notice was given to You. After cancellation, We will refund the premium for the time remaining on the Policy, less non refundable duties.

4. Unoccupancy

Cover shall be entirely suspended where the premises at the Risk Address are left without an inhabitant or regular attendant for any period of more than 30 consecutive days and nights, unless Our written consent has been obtained before they are left so uninhabited or unattended.

5. Other Insurance

If You effect (or if there exists to Your knowledge) any other insurance covering loss, damage or liability insured by Your Policy, You must notify Us immediately and provide Us with details of such other insurance.

6. Reasonable Care

You must take all reasonable care:

- for the safety of Your Property Insured;
- to ensure that only competent employees are employed;
- to maintain the structure, fittings, fixtures, furnishings, appliances, machinery, implements and plant in sound condition at the Risk Address;
- to prevent bodily injury or loss of or damage to property;
- to comply with any law, by-law, safety requirement, Australian Standard or regulation of

any Government or Local Government body. Including but not limited to those covering the disposal of waste products and the handling, storage or use of flammable liquids or substances, gasses or toxic chemicals;

- to prevent bodily injury or damage to property due to manufacture, sale or supply of defective products. Including at your own expense take all reasonable action to trace, recall or modify any of Your products containing defects;
- If your occupation includes digging below ground at sites away from Your Risk Address You must obtain the location of underground services from the owner of the services before commencement of digging.

We shall not be liable for loss, destruction, damage, liability, accidental injury or illness caused or contributed to by Your failure to comply with this condition.

7. Fraud

All benefit may be forfeited, our liability reduced and/or your policy(ies) cancelled if you or any person acting with your knowledge or consent or on your behalf:

- engages in any dishonest or fraudulent activity as a means to obtain benefit from this policy; or
- wilfully causes any loss, damage, or liability.

8. Conduct of Defence and Recovery Actions

Subject to the Insurance Contracts Act 1984, We shall be entitled to take over the conduct in Your name, or the name of any other party covered by Your Policy, the defence or settlement of any claim and to take recovery action or prosecute for Our benefit, any claim for indemnity, damage, or otherwise and We shall have full discretion in the manner in which any proceedings or settlements are conducted. If You or any other party covered by Your Policy wish to join with Us in any related action where this Policy does not provide You with indemnity, legal costs will be proportionately shared.

9. Preventing Our Rights of Recovery

Subject to the Insurance Contracts Act 1984, where another person is liable to compensate You or other persons covered for any loss, theft, destruction, damage or liability which is covered by Your Policy but agreement has been made with the person not to seek recovery of monies from them, We will not provide cover under Your Policy for that loss, theft, destruction, damage or liability.

10. Assistance

In the event that there exists a right to recover any monies payable under Your Policy from any other party, You or any other person covered by Your Policy must co-operate with Us fully in any proceedings available to Us at law which We may take, and not hinder these rights or agree to limit, waive or release any such right. Failure to comply with this condition will enable Us to reduce the amount payable under a claim to the extent that Your actions prejudice Our ability to recover such monies.

11. Claim Matters

As soon as possible after an event occurs which may result in a claim under this policy you must at your own expense:

- take all reasonable precautions to prevent or minimise further loss, damage or liability;
- notify the police immediately if any of your property is lost, stolen, maliciously or intentionally damaged, or such loss is attempted or suspected;
- take all reasonable steps to recover lost or stolen property, and assist in apprehending any guilty party;
- contact us and provide us with details of what has happened by –
 - telephoning 13 29 39;
 - visiting one of our outlets;
 - writing to our
General Insurance Claims Dept.
Level 5, 114 Albert Road
South Melbourne, Vic 3205; or
 - notifying your representative;
- complete and submit a claim form for our consideration with full particulars of your loss including details of any party who may be responsible;
- give us the opportunity to inspect any loss or damage before you carry out any repairs;
- keep any damaged or recovered stolen property and allow us to inspect it if necessary;
- obtain our consent before you authorise or commence repairs or otherwise incur any cost, unless the repair or cost is necessary to protect the insured property from further loss; and
- not admit, deny, or negotiate any claim with any person.

12. Excess

Where an Excess is shown in the Schedule or within the PDS. You or any other person insured must first bear the amount of the Excess for each and every claim arising out of the one event or occurrence before becoming entitled to cover under Your Policy. Where two or more different Excesses apply to an event or occurrence giving rise to a claim under one or more Sections of Your Policy, only the greatest of those Excesses shall be applied to the whole claim.

13. Words-Gender

Words importing persons include corporations and other legal entities.

The singular includes references to the plural and vice versa and any gender includes reference to all other genders.

14. Renewal obligations

Renewal of this policy beyond the period stated in your policy schedule is subject to there having been no changes in the risk insured. You are obliged to notify us in writing of any changes or any relevant matters that may have occurred during the prior period of insurance which may affect our willingness to accept your renewal.

15. Joint Insureds

This policy only covers the interests of the insured(s) named on the schedule and any other interests notified to Us in writing which are accepted by Us and noted in the schedule. No interest in this policy may be transferred without Our written consent.

Where there is more than one person or organisation insured under this policy:

- Any notice given by Us under Your Policy to any one of You will be deemed to be notice given to all of You;
- The duty of disclosure will apply to every person or organisation. Failure by any insured person or organisation to comply with the duty of disclosure will be deemed a failure by all of You;
- Any misrepresentation of fraudulent actions or statements made by any person or organisation will be deemed to be made by all of You; and/or
- Any claim made by any person or organisation will be deemed to be a claim made by all of you.

16. Hazardous Goods

The storage of hazardous goods usual to the proprietor(s)/occupier(s) trade and/or business carried on at the situation shown on Your Schedule are only allowed to be stored in quantities and in a manner as permitted by any relevant Law, By-Law or Municipal Regulation (including the Operational Health and Safety and workcover organisations) pertaining to such goods.

17. Workers Compensation

The insurances provided by this Policy do not include Workers Compensation. It is compulsory for all employees to be insured for Workers Compensation and a separate policy must be arranged where required by law.

18. Under Insurance/Average

This means that if you do not insure for full value, you may be required to bear a portion of the loss yourself. If at the date of loss the Sum Insured on the property is less than 80% of the full value of the property the claim will be reduced in the proportion to the difference between 80% of the full value of the property and the Sum Insured.

The sections under this policy with under insurance provisions are

Section 1 - Fire and Specified Perils

Section 2 - Business Interruption

Section 8 - Electronic Equipment

For the purposes of determining the amount of under insurance/Average:

- Every Risk address is reviewed as if they are insured separately; and
- Full value means the amount necessary to fully indemnify You within the terms of the section. The full value is applied as it was required on the day of commencement of the Period of Insurance

Conditions applicable to Underinsurance/Average clause

Our Liability will be limited to the Sum Insured at the Risk address as shown in the schedule

The Underinsurance/Average clause will not apply if the amount of damage does not exceed five percent (5%) of the Sum Insured at the situation

Calculating the effect of Underinsurance/Average

Example:

Full Value	\$100,000
80% of value	\$ 80,000
Sum Insured	\$ 70,000

Therefore if a \$ 40,000 loss occurs, we would pay
 $\$70,000 \times \frac{\$40,000}{\$80,000} = \$35,000.00$

\$80,000

We would pay \$35,000.00 (less any excess)

19. Jurisdiction

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

General Exclusions

These General Exclusions apply to all sections of the policy. In addition to these General Exclusions, each section of this policy will be subject to specific exclusions in addition to these General Exclusions.

Your policy does not cover Loss, damage, consequential loss, cost or expense, disablement or liability; directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with:

1. Nuclear

Any consequence of

- Ionising radiation or radioactive contaminations from any nuclear fuel or waste which results from the burning or fission of nuclear fuel;
- The radioactive, toxic, explosive or other dangerous properties of nuclear machinery or any part of it;
- Nuclear weapons material, nuclear pollution or contamination.

2. Warlike Activities

War, invasion, acts of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, or any looting, sacking or pillaging following any of these.

Expropriation including lawful seizure, resumption, confiscation, nationalisation, destruction or damage under the order of any government or public or local authority.

3. Consequential Loss

Any consequential loss of any description except as specifically stated in Your Policy.

4. Electronic Data

Any consequence of

- total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of ELECTRONIC DATA,
- error in creating, amending, entering, deleting or using ELECTRONIC DATA, or
- total or partial inability or failure to receive, send, access or use ELECTRONIC DATA, for any time or at all

from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur. Unless directly caused by the Specified Perils listed under Section 1 Fire and Specified Perils or as a result of Theft of the computer hardware, firmware, medium, microchip, integrated circuit or similar device containing such Electronic Data, but only where the property is insured and the appropriate covers have been selected and paid for and are included on Your schedule. For the purposes of the Basis of Settlement provisions in this Policy, computer systems records includes Electronic Data as defined below.

ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for such equipment including dates.

Any terrorism exclusion in this Policy or any endorsement thereto prevails over this endorsement.

5. Internet Operations and Cyber Risks

- Any losses arising, directly or indirectly, out of, or in any way involving the Insured's "internet operations".

Internet Operations" means the following:

- Use of electronic mail systems by the Insured's employees, including part-time and temporary staff, and others within the Insured's organisation;
- Access through the Insured's network to the world wide web or a public internet site by the Insured's employees, including part-time and temporary staff, and others within the Insured's organisation;
- Access to the Insured's intranet (meaning internal company information and computing resources) which is made available through the world wide web for the Insured's customers or others outside the Insured's organisation; and

The operation and maintenance of the Insured's web site.

Provided that this exclusion does not apply to bodily injury or property damage arising out of any material which is already in print by a manufacturer in support of its product, including but not limited to product use and safety instructions or warnings, and which is also reproduced on its site. Coverage does not include bodily injury or property damage arising out of any other advice or information located on the site that is used for the purpose of attracting customers.

- Property damage to computer data or programs and their storage media arising directly or indirectly out of or caused by, through or in connection with:
- The use of any computer hardware or software;
- The provision of computer or telecommunications services by or on behalf of the Insured
- The use of computer hardware or software by any third party, whether authorised or unauthorised, including any damage caused by any computer virus.

Nothing in the Internet Operations and Cyber Risks exclusion shall be construed to extend coverage under this policy to any liability which would not have been covered in the absence.

6. Pollution

Personal Injury or Property Damage caused by or arising out of the discharge, dispersal, release or escape of Pollutants into or upon land, the atmosphere, or any water course or body of water, but this exclusion does not apply if the discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended and takes place in its entirety at a specific time and place other than within North America or a country that is subject to the jurisdiction of North America.

Any costs and expenses incurred in prevention, removing, nullifying or clean-up of such contamination or pollution but this exclusion does not apply to clean-up, removal or nullifying expenses only, which are consequent upon a sudden, identifiable, unexpected, unintended happening taking place in its entirety at a specific time and place other than within North America or a country that is subject to the jurisdiction of North America which results in Personal Injury and/or Property Damage.

Provided that in all cases that this policy will exclude cover for property, damage or personal injury whether actual or alleged, or to cover the cost of preventing, removing, nullifying, cleaning up or similar activities for any contamination or pollution where the cause of the pollution or threat of pollution occurs within North America or is subject to the jurisdiction of North America.

7. Terrorism

Any act of terrorism, as defined herein, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exclusion Terrorism means: any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:

- Involves violence against one or more persons; or
- Involves damage to property; or
- Endangers life other than that of the person committing the action; or
- Creates a risk to health or safety of the public or a section of the public; or
- Is designed to interfere with or to disrupt an electronic system.

This Policy also excludes loss, damage, cost, or expense directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with any action in controlling, preventing, suppressing, retaliating against, or responding to any act of terrorism.

8. 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, asbestos, in whatever form or quantity. Including but not limited to

- any mining, handling, processing, manufacture, sale, transportation, distribution, or storage of asbestos, asbestos products, or asbestos contained in any product or building;
- any process of decontamination, disposal, removal, treatment or control of asbestos or asbestos products or products.

9. Your wilful act, omission or recklessness

Any wilful act, omission or recklessness or those of Your agents or representatives, provided that this exclusion will only apply to physical loss, destruction or liability caused by those proprietor(s) or member(s) committing the wilful act or omission or recklessness or that of their agents or representatives.

Section 1 - Fire and Specified Perils

The Cover

We will indemnify You in accordance with the Basis of Settlement for actual physical loss of, destruction of or damage to insured property described in the Schedule caused by any of the Specified Perils described in this Section during the Period of Insurance.

Definitions - Property Insured

Buildings: means the Buildings and outbuildings at the Risk Address that are owned by You or for which You are legally responsible and includes:

- fixtures, fittings and overhead and/or underground services, and
- walls, gates, fences and any other structural improvements at the Risk Address.

Contents: means all business furniture, utensils of trade, shelving, decorations, display stands, machinery, plant and equipment that is owned by You or for which You are legally responsible that is kept at the risk address.

Whilst kept at the Risk address and provided the Sum Insured is not exhausted Contents also includes:

- Tenants fixtures and fittings where you are the tenant
- Patterns, models, moulds and dies up to the value of \$1,000 any one item and \$3,000 any one period of insurance
- Antiques, curios and works of arts up to the value of \$2,000 any one article and \$10,000 any one period of insurance
- Directors and employees effects limited to \$750 per employee and \$3,000 any one period of insurance

Customer Goods: means property not belonging to You but in Your physical or legal control and for which You are responsible.

Stock: means stock in trade which includes stock in the course of production, promotional merchandise and packaging materials and/or containers which belongs to You or for which You are legally responsible for

Specified Perils

Loss, damage or destruction caused by or resulting from:

1. Fire

excluding destruction, loss or damage to Your Property resulting from either the necessary application of heat, or its own spontaneous combustion, heating or fermentation. The exclusion to this defined peril is limited to that part of Your Property immediately affected and does not exclude consequential damage to the remainder of Your Property.

2. Lightning or Thunderbolt.

3. Explosion

excluding destruction of or damage to pressure vessels and their contents. Pressure vessels include (but are not limited to) boilers (other than a boiler used for domestic purposes), compressors, air receivers and economisers.

4. Earthquake

We will pay for loss, destruction or damage caused by

- earthquake, subterranean fire or volcanic eruption or
- fire occasioned by or happening through or in consequence of earthquake, subterranean fire or volcanic eruption

PROVIDED that in respect of destruction of or Damage to property occurring during any one period of 48 consecutive hours in respect of all Buildings, (whether or not separated by roadways), Contents, Stock and Customers Goods which are in the same ownership located at one situation, We shall not be liable to pay or contribute to the first \$20,000 or an amount equal to 1% of the total Sum Insured per Risk Address or 1% of the Limit Liability.

PROVIDED FURTHER that the amount calculated under the Proviso above shall first be deducted from the amount of each claim as finally determined for the destruction or damage arising out of any one event as ascertained after application of Under insurance/Average as set out in clause 18 Under insurance/Average as contained in the General Conditions section.

5. Damage

caused by Water, following bursting, overflowing or leakage from pipes, tanks, guttering or water apparatus including automatic fire sprinkler systems.

6. Impact by:

- a) Vehicles, Watercraft or animals;
- b) Falling trees or parts of falling trees (but excluding loss or damage caused by or consequent upon the felling or lopping of trees by You or on Your behalf);
- c) Aircraft and other aerial devices, or articles dropped from them and including space debris whether man-made or otherwise;
- d) External aerials that collapse or break.

7. Malicious Damage

Malicious damage to property insured including damage caused by:

- a) strikers, locked out workers or other labour disturbances;
- b) any other malicious persons (including persons attempting to gain unlawful entry to the premises but not theft of property)

We will also pay for damage caused by any lawful authority in connection with (a) to (b) inclusive.

Specific Condition applicable only to Malicious Damage

You must immediately inform the police of any malicious damage and prosecute those responsible if known.

Specific Exclusions applicable only to Malicious Damage

- a) We will not pay for any consequential loss, including (but not limited to) losses caused directly or indirectly by the total or partial interruption, retardation or cessation of work, process or operation;
- b) We will not pay for any Malicious Damage caused by tenants or any other person entering the premises with Your consent.
- c) We will not pay for any Malicious Damage caused to glass other than glass in stock, unless the appropriate glass cover has been selected under Section 5 Glass.

8. Storm, Tempest or Rainwater

But not damage caused:

- a) by Flood;
- b) by action of the sea, tidal wave or tsunami, storm surge or high water;
- c) by erosion, collapse, subsidence, landslide, mudslide or settling;
- d) by water seeping or percolating from the outside of Buildings at the Risk Address;
- e) by water entering Buildings at the Risk Address because of:
 - structural defects
 - faulty design of Buildings at the Risk Address
 - faulty workmanship
- f) to gates, fences, retaining walls, textile awnings, blinds or signs;
- g) to property in the open air unless it comprises or forms part of a permanent structure designed to function without the protection of walls or roofs; or
- h) to Buildings in the course of construction, reconstruction or renovation.

For the purpose of this specified peril:

Storm and/or Tempest: means violent atmospheric disturbances accompanied by high winds sometimes combined with thunder, heavy falls of rain hail or snow. It does not mean intermittent or persistent rain by itself.

Storm Surge: means the short period rise or fall of the sea level produced by a cyclone.

9. Accidental Damage

Caused to any property insured by any sudden or unforeseen event not otherwise excluded in this specified peril, provided that the limit of Our indemnity arising out of any one event or occurrence will not exceed the greater of:

- a) The amount shown in the Schedule; or
- b) 10% of the Sum Insured for the respective property listed; or
- c) \$20,000,

PROVIDED that Our liability shall never exceed the lesser of:

- a) the Sum Insured for the respective property listed in the Schedule; or
- b) \$100,000.

Specific Exclusions Applicable only to Accidental Damage

We will not pay for:

- 1. the first \$250 for any one claim, being the Excess payable under this specified peril.
- 2. any loss, destruction or damage caused by:
 - a) another Specified Peril as described in Your Policy;
 - b) any event or cause specifically excluded under any other Specified Peril or Additional Benefit in this Section;
 - c) theft or burglary;
 - d) any cause, event or occurrence insurable under any other Section of Your Policy whether effected or not, other than glass that is Stock or part of Stock;
 - e) error or omission in design, plan or specification or failure of design;
 - f) faulty materials or faulty workmanship;
 - g) loading or unloading, delivery or dispatch;
 - h) any process of property undergoing repair, construction, erection, alteration or demolition;
 - i) incorrect siting of Buildings;
 - j) testing, intentional overloading or experiments;
 - k) normal settling, seepage, shrinkage, creeping, heaving, vibration or expansion in the Buildings or foundations, walls, pavements, roads and other structural improvements;
 - l) any computer virus;
- m) termination of Your computer system following access by any person other than You or Your directors, partners, officers, employees or members to Your computer system, via data communication media;

- n) any process of heat treatment, welding, grinding, cutting, drilling, shaping or the application of tools to the Property Insured;
 - o) deterioration of stock;
 - p) mechanical, hydraulic, electrical or electronic breakdown, failure, malfunction or derangement of any machine or electrical or electronic device or temperature controlling equipment;
 - q) faulty packaging or storage;
 - r) wear and tear, fading, scratching or marring, gradual deterioration or developing flaws, normal upkeep or making good;
 - s) seepage of water or water entering Buildings at the Risk Address as a result of structural defects; or
 - t) rust, oxidation, mildew, mould, moths vermin, insects, change of colour, cleaning, dying or alteration to the Property Insured.
3. We will not pay for any loss, destruction or damage caused to:
- a) any property during the course of and as a result of its processing;
 - b) jewellery, furs, bullion, precious metals or precious stones other than as Stock;
 - c) any property excluded under Section 1 - Fire and Specified Perils, or any other Section(s) of Your Policy whether effected or not.
 - d) any property in transit other than incidental movement within the insured Risk Address;
 - e) Your Property whilst at any location other than the Risk Address;
 - f) motor vehicles, caravans, trailers, motor cycles, Watercraft, Aircraft or aerial devices or the accessories to any of these unless insured as part of Stock, and then only when at the Risk Address;
 - g) Your Property whilst being used for the purpose for which it was designed;
 - h) property insured during construction, erection or renovation;
 - i) gates, fences, retaining walls, awnings, blinds or signs;

Basis of Settlement

Unless otherwise specified in the Schedule, claims will be settled on the following basis:

1. Property (other than Stock) destroyed: We will pay for the cost of rebuilding or replacing the property insured to a standard or condition equal to but not better than or more extensive than its condition when new. Rebuilding may be carried out on another site provided Our liability is not increased.
2. Property (other than Stock) damaged: We will pay at Our option for the cost of repairing, reinstating or replacing the damaged portion of the property to a condition substantially the same as but not better than or more extensive than its condition when new.
3. Stock damaged or destroyed: We will pay at Our option:
 - a) the cost of repairing or reinstating Stock to its condition immediately prior to the loss; or
 - b) the cost to replace the stock plus indemnifying You for any additional expenditure incurred on such stock (eg: freight, packaging or similar costs).
4. Directors', Proprietors' and Employees' effects: We will pay at Our option:
 - a) the cost of repairing or reinstating the property to its condition immediately prior to the loss; or
 - b) the cost to replace the item damaged or destroyed less a deduction for depreciation.

Specific Conditions attaching to the Basis of Settlement

1. Time delays

Any work to repair, reinstate, restore or rebuild must be commenced at the earliest possible time. Where commencement of repair, reinstatement, restoration or rebuilding is unduly delayed or postponed by You, We may reduce the amount payable under the claim to the extent that We are prejudiced by such undue delay. This condition shall not apply to any work commenced within 60 days of the claim occurring.

2. Under Insurance/Average

This means if you do not insure for full value, you may be required to bear a portion of the loss yourself. The definition of Full Value for this section shall be the cost to rebuild the building including the cost of Removal Of Debris in a total loss scenario, as if the building was completely destroyed.

For full explanation please refer to clause 18 Under Insurance/Average under the General Condition section.

3. Re-instatement of Cover

In the event of Loss or Damage from events insured under this section, the amount by which the Sum Insured or Limits of Liability is reduced as a consequence of the loss or damage will be automatically re-instated as from the date of loss provided that:

- There is no written request from You or Written notice by Us to the contrary,
- This section is an operative Section of the Policy,
- The claim has been notified to Us,
- The Under Insurance/Average provision is not enacted,
- You pay the premium we require for the reinstatement; and/or
- The loss or damage is not a total loss, whether actual or constructive.

Additional Benefits

Cover under this Section extends to include:

1. Architects' and other Consultants' Fees

We will pay for architects', surveyors' and legal fees, all necessarily incurred to repair or reinstate Your Property following damage for which a claim is admissible under this Section but only to the extent the Sum Insured is not otherwise exhausted.

2. Removal of Debris

We will pay for those costs necessarily incurred to remove debris, demolish structures or make temporary repairs to property insured following an insured loss under Your Policy but only to the extent of either:

- a) The amount shown on the Schedule for this Additional Benefit, or
- b) If no amount is shown, the costs will be limited by the Sums Insured for Buildings, Contents and Stock, provided these are not otherwise exhausted.

We will not pay for removal of any material that is a contaminant or pollutant and that is deposited outside the boundaries of the Risk Address.

3. Fire Extinguishment Costs

We will pay for fire extinguishment costs up to \$10,000 necessarily incurred in extinguishing fires at or adjoining the Risk Address insured under this Section, or immediately threatening to involve such property including:

- the cost of repair, replacement or replenishment of fire fighting appliances;
- the cost You are liable for under any Fire Brigade Act or similar legislation;
- wages of Your employees and any loss or damage to/of their clothing or personal effects.

4. Damage Caused by Water - Additional Costs

Where Buildings are insured by this Section:

- a) We will also pay for the cost of identifying and locating the cause of damage up to a limit of \$3,000 but We will not pay for the cost of repair or replacement of the defective part or parts of such apparatus, tank or pipe.
- b) and the damage was caused by the accidental discharge from an automatic sprinkler or drenching system, We will also pay for the attendance of fire fighting authorities for the purpose of shutting off the water supply and cleaning up operations relevant at the Risk Address consequent to the accidental discharge.

5. Seasonal Increases In The Sum Insured

This Additional Benefit increases the Sum Insured for Stock by 25% for:

- a) the months of November and December;
 - b) for a period of 30 days up to and including Easter Tuesday; and
 - c) any gazetted Bank or public holiday,
- unless stated otherwise in the Schedule.

This additional benefit will apply only to that part of the Sum Insured that relates to Stock.

6. Additional Cost of Reinstatement

Where Reinstatement and Replacement basis of settlement has been agreed, this Section extends to cover those additional costs to reinstate necessarily incurred to comply with an Act of Parliament or council By-law or Regulation that occur as a result of a loss under this Section, provided that:

- a) If the cost of reinstatement of damage to property insured is less than 50% of what would have been the cost of reinstatement if the property had been totally destroyed, We will only pay that amount that is necessarily incurred to reinstate that portion damaged,
- b) Compliance with the Act of Parliament or council By-law or Regulation was not required to have been complied with prior to the loss or damage.

The most We will pay under this additional benefits per building is 25% of the Sum Insured of any of the damage Building(s) listed on the schedule.

7. Cost of Rewriting Business Books and Records

We will indemnify You for the cost or clerical labour and stationery costs incurred to replace and/or rewrite Your Business records and books of account following loss or damage as a result of a Specified Peril, provided the Sums Insured for Contents and/or Stock are not otherwise exhausted.

8. Capital Additions

We will extend the Sums Insured for Buildings and/or Contents to cover the cost of any capital additions to the property insured acquired during the Period of Insurance, including whilst undergoing structural alteration, and not already notified to Us and listed on the Schedule.

The limit under this additional benefit shall be the lesser of:

- a) 10% of the respective Building and/or Contents Sum Insured, or
- b) \$50,000.

9. Temporary Removal

We will cover insured property whilst temporarily removed to another premises anywhere in Australia, (notwithstanding exclusion 3(e) - Specified Peril 9, Accidental Damage), provided that We will not cover:

- a) Stock or Customers goods;
- b) property removed from the Risk Address for longer than 60 days (except where We have given written consent);
- c) property in transit; or
- d) motor vehicles.

Cover under this additional benefit will be limited to the lesser of:

- a) 10% of the Contents Sum Insured, or
- b) \$20,000.

10. Damage to Premises at the Risk Address

Where Buildings are shown on the Schedule, We will indemnify You for damage caused to the Buildings as a result of theft or attempted theft.

Cover under this additional benefit will be limited to the lesser of:

- a) 10% of the Buildings Sum Insured; or
- b) \$20,000.

Specific Exclusions

We will not pay for any loss or damage caused:

1. to documents (not being business records and books of account covered under additional Benefit 6), manuscripts, patterns, models, moulds, plans or designs unless specifically shown on the Schedule;
2. by breach of any law, by-law, or regulations of any Government or local Government body dealing with the storage of hazardous goods at the Risk Address if occupied by You or under Your control;
3. to any electrical appliance or device (including wiring) by electric current. Should a fire result, We will pay for the damage caused directly by the fire.

Unless specifically requested as stock covers and noted on Your schedule with specific sub-limits we will not cover.

1. Livestock or animals
2. Plants, shrubs, trees or growing crops
3. Motor vehicles, trailers, caravans or any accessories in or on these
4. Aircraft or Watercraft
5. Money or other negotiable instruments
6. Jewellery, watches, furs or precious stones or gems
7. Cigarettes, tobacco and cigars
8. Alcohol and liquor
9. Documents, manuscripts, business books, plans or designs

Specific Conditions

1. Subsequent Damage

Regardless of General Exclusion 4 Electronic Date:

- a) where any software or device is not Electronic Date (Including Year 2000) Compliant; and
- b) as a result, destruction of or damage to any of the property insured under Section 1 of Your Policy occurs on the happening of any one of Specified Perils 1 - 8;

We will cover You in accordance with Your Policy for such resultant destruction or damage, PROVIDED that We will not cover You for:

- a) any destruction of or damage to the software or device itself; or
- b) any destruction or damage occurring or continuing after the property insured has been repaired, reinstated or replaced, or the claim for such destruction or damage has been finalised under this Section of Your Policy.

For the purposes of this Condition;

- Electronic Date (Including Year 2000) Compliant and software and device have the same meanings as General Condition 5.
- Specified Peril means the Specified Perils listed in this Section, but not an Additional Benefit or Optional Benefit.

Section 2 - Business Interruption

The Cover

In the event that Your Business is interrupted as a direct consequence of Damage occurring during the Period of Insurance to property insured by You at the Risk Address, We will pay You up to the amount shown on the Schedule for loss resulting from such Damage.

Definitions

Accountant: means a professional Accountant to be appointed jointly by You and Us, or failing such agreement to appoint, as nominated by the President of the Institute of Chartered Accountants of Australia, or by the President of the Australian Society of Certified Practising Accountants.

Damage: means actual physical loss, damage or destruction of property caused by a specified peril or defined event insured under Sections (1) Fire and Specified Perils; (3) Burglary; (4) Money or (5) Glass, of Your Policy.

Indemnity Period: means the period commencing with the occurrence of the Damage and ending at the expiration of the Indemnity Period stated in the Schedule during which period the Standard Revenue of the Business is affected in consequences of the Damage.

Revenue: means the Money paid to You as a:

- Wholesaler or Retailer of goods - for goods sold and delivered in the course of the Business
- Professional practitioner or Personal services provider - for services rendered and for work performed in connection with the Business
- Property Owner - by tenants (being rent receivable).

Standard Revenue: means the Revenue during that period corresponding with the Indemnity Period in the twelve months immediately before the date of the occurrence of the Damage to which adjustment shall be made to reflect the trend in the Business and any other variables in order to arrive at the same result that would have been obtained had the Damage not occurred.

Basis of Settlement

We will indemnify You for:

- a) In respect of Revenue, the amount by which Revenue earned during the Indemnity Period in consequence of Damage falls short of the Standard Revenue for the period; and
- b) In respect of Increased Cost of Working, the additional expenditure necessarily incurred to reduce any loss of Revenue during the Indemnity Period in consequence of Damage, but not exceeding the reduction in Revenue thereby avoided,

Less any amount saved during the Indemnity Period in respect of charges or expenses or outgoings of Your Business payable out of Revenue that may cease or be reduced in consequence of Damage.

Additional Benefits

1. Accountants' Fees

We will pay the cost of reasonable Accountants' Fees payable to an Accountant for preparing and submitting claims under this Section or for a combined claim under Fire and Specified Perils and Business Interruption. We will not pay more than the greater of:

- a) The amount shown in the Schedule for this Additional Benefit; or
- b) \$10,000, provided that the Sum Insured is not otherwise exhausted.

2. Prevention of Access

We will pay You for loss of Revenue resulting from interruption of, or interference with Your Business as a direct result of Damage occurring during the Period of Insurance:

- a) to property in the vicinity of the Risk Address; or
 - b) resulting in intervention by any lawful authority to such property;
- which hinders or prevents access to the Risk Address provided that the Sum Insured is not otherwise exhausted.

Provided that we will not pay for any prevention of access due to approved development works, planned public works or any regular maintenance or upgrade works conducted by or with the approval of any public authority or sub contractors acting on their behalf.

3. Public Utilities

We will pay You for loss of Revenue resulting from interruption of or interference with Your Business as a direct result of Damage occurring during the Period of Insurance to the public telecommunications system, public electricity, water or gas supply and/or distribution systems, from which You obtain the direct and immediate supply of such services.

Limits to this Additional Benefit

- a) We will not pay for any loss of Revenue occurring in the 48 hours immediately following the Damage interruption or interference,
- b) We will not pay more than 20% of the Sum Insured in this Section for this additional benefit during any one Period of Insurance.

Optional Benefits

Customers or Suppliers Premises

If this Optional Benefit is chosen and shown in the Schedule, We will pay You up to the amount shown in the Schedule for loss of Revenue resulting from interruption of or interference with Your Business as a direct result of Damage occurring during the Period of Insurance to the premises of Your customers or suppliers anywhere in Australia, or property at those premises.

Specific Exclusions

1. Cessation of Business

We will not pay for any claim, or continue to pay a claim beyond the date at which You cease to conduct the Business due to any cause whatsoever, whether voluntary or involuntary.

2. Machinery Breakdown

We will not pay for any claim that is caused by or contributed to by any machinery breakdown or damage to any electrical plant other than where the damage to the insured machines or electronic equipment is caused as a result of any of the specified perils 1- 8 under Section 1 Fire and Specified Perils at Your Risk address

Specific Conditions

1. Under Insurance/Average

If the Sum Insured for twelve months Standard Revenue stated in the Business Interruption Schedule is less than 80% of the Standard Revenue that would have been earned had the Damage or prevention of access not occurred, the amount payable by Us shall be proportionately reduced.

The definition of Full Value for this section shall mean the expected Standard Revenue based on the last 12 months of trading with any allowance required for increased business trends.

For a full explanation please refer to clause 18 Under Insurance/Average under the General Conditions section.

2. Claims Procedure

In the event of an occurrence giving rise to a claim under this Section, You must in addition to those conditions detailed in General Condition 12:

- a) immediately give Us written notice of it;
- b) deliver to Us within 14 days, or another period specifically agreed by Us in writing, a written statement certified by an Accountant, containing all particulars of the loss (as far as is reasonably practicable); and
- c) produce and supply Us with all books of account and other Business books, invoices, vouchers and any other documents, proofs, explanations or evidence of Business activities that We may reasonably require to investigate and verify the claim; and
- d) where required by Us or Our representatives, provide a statutory declaration in verification of any details supplied.

In the event that You fail to comply with any part of this condition (2), We will be entitled to reduce Our liability in respect of the claim by the extent to which We have been prejudiced by such non-compliance.

3. Accumulated Stocks

If in the event that trading, after the occurrence of Damage, is in part or fully maintained by utilising accumulated stocks, We will adjust the total indemnity available under this Section to provide a fair and reasonable settlement of the loss.

Section 3 - Burglary

The Cover

We will indemnify You for theft or attempted theft of Contents, Stock or specified items from the Risk Address during the Period of Insurance resulting from:

1. the actual forcible and violent entry to buildings at the Risk Address;
2. a person concealed at the Risk Address followed by their exit therefrom after normal Business hours;
3. assault or violence, violent intimidation or threats of these to You or Your employees;
4. theft, fraud or dishonesty by any of Your employees provided that:
 - a) the loss is discovered within 14 days of its occurrence;
 - b) any occurrence is reported to the police, and You co-operate with them in providing statements and/or evidence to enable a successful prosecution; and
 - c) the most We will pay for this part (4) in any one Period of Insurance is \$1,000.

Definitions

Contents: means all business furniture, utensils of trade, shelving, decorations, display stands, machinery, plant and equipment that is owned by You or for which You are legally responsible that is kept at the risk address.

Whilst kept at the Risk address and provided the Sum Insured is not exhausted Contents also includes:

- Tenants fixtures and fittings where you are the tenant
- Patterns, models, moulds and dies up to the value of \$1,000 any one item and \$3,000 any one period of insurance
- Antiques, curios and works of arts up to the value of \$2,000 any one article and \$10,000 any one period of insurance
- Directors and employees effects limited to \$750 per employee and \$3,000 any one period of insurance

Customer Goods: means property not belonging to You but in Your physical or legal control and for which You are responsible.

Stock: means stock in trade which includes stock in the course of production, promotional merchandise and packaging materials and/or containers which belongs to You or for which You are legally responsible for

Basis of Settlement

Unless otherwise specified on the Schedule, claims will be settled on the following basis:

1. Contents or Customers Goods stolen or damaged:

We will pay for the cost of repairing or replacing the property insured to a standard or condition equal to but not better than or more extensive than its condition when new;

2. Stock stolen or damaged: We will pay at Our option:

- a) the cost of repairing or reinstating Stock to its condition immediately prior to the loss; or
- b) the cost to replace the Stock plus indemnifying You for any additional expenditure incurred on such Stock (eg: freight, packaging or similar costs).

3. Directors', Proprietors' and Employees' effects:

We will pay at Our option:

- a) the cost of repairing or reinstating the property to its condition immediately prior to the loss; or
- b) the cost to replace the item damaged or destroyed less a deduction for depreciation.

Additional Benefits

1. Damage to Premises - Tenanted Risk Address

We will pay the cost of repairing damage to the premises at the Risk Address in which You are a tenant, and under the terms of Your lease You are legally responsible to pay for such damage, consequent upon theft or attempted theft, provided the Sum Insured is not otherwise exhausted.

2. Temporary Protection

We will pay for temporary protection reasonably necessary for the safety of the property insured whilst awaiting repair of physical damage to the premises at the Risk Address as a consequence of theft or attempted theft, to a maximum of \$3,000 any one event.

3. Keys and Locks

We will pay to replace stolen keys and when necessary the cost of replacing locks, lock cylinders or lock combinations as a result of theft or attempted theft of insured property.

We will not pay more than \$1,000 for any one event.

4. Removal of Debris

We will pay for the cost of removal of debris and of cleaning up any damage resulting from theft or attempted theft of insured property, provided that:

- a) the Sum Insured is not otherwise exhausted; and
- b) the most We will pay under this additional benefit is \$1,000 for any one event.

5. Cost of Rewriting Records and Books of Account

We will pay You for the for the cost of labour and/or stationery incurred to replace and/or rewrite Your Business records and books of account following loss or damage as a result of theft or attempted theft.

We will not pay more than:

- a) the amount shown in the Schedule for this Additional Benefit, or
- b) \$3,000, whichever is the greater.

6. Seasonal Increases In The Sum Insured

This Additional Benefit increases the Sum Insured for Stock by 25% for:

- a) the months of November and December;
- b) for a period of 30 days up to and including Easter Tuesday; and
- c) any gazetted Bank or public holiday, unless stated otherwise in the Schedule.

This additional benefit will apply only to that part of the Sum Insured that relates to Stock.

7. Theft without Forcible Entry - Contents

We will extend this insurance to cover Contents stolen from the Risk Address whether there is actual forcible and violent entry or not.

Limits and exclusions for this additional benefit

We will not pay:

- a) for theft of Stock or customers goods;
- b) for unexplained disappearance, shortage or loss;
- c) for theft or attempted theft from any area with open sides, including but not limited to verandahs, yards, car ports or any other open spaces that are partially or fully enclosed;

The limit for any claim under this additional benefit is \$1,000.

Specific Exclusions

We will not cover the theft or attempted theft of:

1. loss, damage or destruction due to theft or any attempted theft committed by You or any member of Your family;

Unless specifically requested as stock covers and noted on Your schedule with specific sub-limits we will not cover.

1. Livestock or animals
2. Plants, shrubs, trees or growing crops
3. Motor vehicles, trailers, caravans or any accessories in or on these
4. Aircraft or Watercraft
5. Money or other negotiable instruments
6. Jewellery, watches, furs or precious stones or gems
7. Cigarettes, tobacco and cigars
8. Alcohol and liquor
9. Documents, manuscripts, business books, plans or designs

Specific Conditions

1. Protective Devices

Where an alarm system or protective device is installed on the premises at the Risk Address it is Your responsibility to ensure that such device is maintained in good condition and efficient working order at all times, and activated whilst the Risk Address is unattended. If You fail to comply with this condition We will not be liable under Your Policy unless You prove that such failure did not contribute to the insured property being lost stolen, damaged or destroyed.

2. Re-instatement

In the event of Loss or Damage from events insured under this section, the amount by which the Sum Insured or Limits of Liability is reduced as a consequence of the loss or damage will be automatically re-instated as from the date of loss provided that:

- There is no written request from You or Written notice by Us to the contrary,
- This section is an operative Section of the Policy,
- The claim has been notified to Us,
- You implement any risk improvements required by Us within a reasonable time frame; and
- You pay the premium we require for the reinstatement.

Such re-instatement will be automatic only once during the period of insurance, purchasing of further cover past the first re-instatement will be on the basis of offer and acceptance only.

Section 4 - Money

The Cover

We will indemnify You for loss of or damage to Money belonging to You or for which You are legally responsible up to the amounts specified in the Schedule for each of the items 1 to 6 listed below.

Items:

1. Whilst in Your personal physical custody (or in the custody of Your authorised representative) in direct transit:
 - a) from the Risk Address to the Bank;
 - b) from the Risk Address to the Bank via any other premises from or in which You do Business;
 - c) from the Bank to the Risk Address;
 - d) from the Risk Address to Your (or Your authorised representative's) private residence; or
 - e) from such residence to the Risk Address or the Bank.

Cover under this item (1) extends to Money drawn for payment of salaries and wages and carried by You or Your authorised representative while in the premises at the Risk Address and other places of disbursement until paid out provided that in respect of Money not paid out on the day of withdrawal from the Bank:

- i) We will not pay more than 40% of the particular withdrawal;
 - ii) outside Business hours, such Money will only be covered whilst securely locked in a Safe or Strongroom; and
 - iii) Our liability will cease at Bank closing time on the next Bank Business day following the day of the particular withdrawal.
2. Whilst contained in a Bank night Safe.
 3. Whilst at the Risk Address during normal Business hours.
 4. Whilst at the Risk Address after normal Business hours.
 5. Whilst contained in a locked Safe or Strongroom.
 6. Whilst contained in Your residence or the residence of Your authorised representative provided that Our liability will cease at Bank closing time on the next Bank Business day following that on which the transit of the Money to the residence was completed.

Definitions

Bank: means a Bank as defined in the Commonwealth Banking Act, or a credit union or building society as defined in the Financial Institutions Code of any State or Territory of the Commonwealth of Australia.

Business Hours: means the normal trading or operating hours and any other time (including overtime), when You, Your employees, directors or partners are in the Risk Address for the purpose of the Business.

Safe and/or Strongroom: means a purpose built burglar resistant container or structure that is designed to resist fire or attack by hand-held power operated tools, and has been specifically designed for the storage of Money and valuable items.

Additional Benefits

1. Automatic After Hours Cover

Irrespective of whether Item (4) is selected, We will pay for Money in the building at the Risk Address after Business hours (provided Item 3 insured) but not contained in a locked Safe or Strongroom. We will not pay more than the greater of:

- a) the amount shown on the Schedule for Item 4; or
- b) \$500

for any one loss.

2. Damage to Safe or Strongroom

We will pay for damage to a Safe or Strongroom (provided Item 3 insured) arising from any attempt to steal Money therefrom. We will not pay more than the greater of:

- a) the amount shown in the Schedule for Item 5; or
- b) \$1,000

for any one loss.

3. Seasonal Increases in the Sum Insured

This Additional Benefit increases the Sum Insured for Money by 25% for:

- a) the months of November and December;
- b) for a period of 30 days up to and including Easter Tuesday; and
- c) any gazetted Bank or public holiday, unless stated otherwise in the Schedule.

4. Employee dishonesty

We will extend this Section to cover loss of Money by theft or dishonesty of any of Your employees or persons in Your service, occurring during the Period of Insurance and discovered within 5 days of its occurrence.

Special Conditions applying to this Additional Benefit

- a) Specific Exclusion 1 as so far as it relates to employees and persons in Your service, shall not apply to this Additional Benefit.
- b) Any occurrence must be reported to the police, and You must co-operate with them in providing statements and/or evidence to enable a successful prosecution.

Limit for this Additional Benefit

We will not pay more than \$1,000 during any one Period of Insurance for this Additional Benefit

Specific Exclusions

We will not cover any loss of or damage to Money:

1. arising from the fraud or dishonesty of You, or Your family, directors or partners;
2. due to shortages resulting from clerical or accounting errors or loss due to errors in receiving or paying out;
3. from any unattended vehicle;
4. from a Safe or Strongroom opened by a key or by use of details of a combination either of which has been left at the Risk Address outside Business hours;
5. resulting in any consequential loss whatsoever;
6. not discovered within 5 working days;
7. whilst carried by or in the possession of professional Money carriers, professional carriers or common carriers;
8. occurring outside of the Commonwealth of Australia.

Specific Conditions

1. Re-instatement

In the event of Loss or Damage from events insured under this section, the amount by which the Sum Insured or Limits of Liability is reduced as a consequence of the loss or damage will be automatically re-instated as from the date of loss provided that:

- There is no written request from You or Written notice by Us to the contrary,
- This section is an operative Section of the Policy,
- The claim has been notified to Us,
- You implement any risk improvements required by Us within a reasonable time frame; and
- You pay the premium we require for the reinstatement.

Such re-instatement will be automatic only once during the period of insurance, purchasing of further cover past the first re-instatement will be on the basis of offer and acceptance only.

Section 5 - Glass

The Cover

We will indemnify You in respect of the Breakage of fixed External Glass and Internal Glass as indicated in the Schedule and at the Risk Address specified in the Schedule that belongs to You or for which You are legally responsible, for the replacement of such broken glass.

Definitions

Breakage: means a fracture extending through the Entire Thickness of the glass.

Entire Thickness: means in the case of laminated glass the Entire Thickness of the lamination.

External Glass: means fixed glass in windows, doors, fanlights, external light fittings and skylights all forming part of the building.

Internal Glass: means fixed glass in cabinets, table tops, counter tops, shelves, refrigeration cabinets, showcases, internal light fittings, mirrors (other than hand mirrors) and vitreous china lavatory pans, urinals and hand basins.

Additional Benefits

In the event of Breakage of insured glass, We will also pay up to the greater of:

- a) the amount shown in the Schedule for additional benefits; or
- b) \$2,000,

for each of the Additional Benefits listed below:

1. Temporary Shuttering and Security

The cost of temporary shuttering, boarding up and any other security necessary, pending replacement of the broken glass.

2. Signwriting

Damage to signwriting, reflective materials, ornamentation or burglary alarm tapes and connections.

3. Shopfront Damage

Damage caused to window and/or glass door frames and tiled shop fronts.

4. Penalty Charges

After hours service costs, express delivery and overtime charges incurred to replace glass.

5. Destruction of Stock

Damage or spoilage of stock resulting from Breakage of insured glass.

Optional Benefits

Illuminated Signs

Where cover for illuminated signs is selected and shown in the Schedule, We will pay the cost of replacement or repair for Breakage of glass, perspex or plastic in illuminated or neon signs at the Risk Address.

We will not pay more than the amount shown in the Schedule for signs for all losses within any one Period of Insurance.

Specific Exclusions

Your Policy does not cover:

1. disfiguration of or damage to glass other than by a fracture extending through its Entire Thickness;
2. Breakage of glass during its removal or during work on or alteration to it or its framework, beading or other fittings;
3. illuminated signs, unless 'Signs' are shown as covered on the Schedule;
4. Breakage caused by the application of heat;
5. Breakage caused by a wilful act by You, or by any other person acting with Your knowledge or consent;
6. glass forming part of stock or customers goods;
7. glass with existing cracks or imperfections;
8. glass installed that is not fit for the purpose intended.

Specific Condition

Excess

We will deduct the Excess shown in the Schedule for this Section from each and every claim made under this Section.

Section 6 - Broadform Liability

The Cover

We will indemnify You for amounts You become legally liable to pay as compensation for Property Damage or Personal Injury occurring during the Period of Insurance within the Geographic Limitations, as a result of an Occurrence happening in connection with Your Business.

If You are entitled to indemnity under this Section We will defend any suit seeking damages for Personal Injury or Property Damage against You in Your name and on Your behalf even if such suit is groundless, false or fraudulent. In the conduct of the defence We reserve the right to investigate, negotiate and settle any claim or suit as We consider appropriate.

Legal Costs and Expenses

We will also pay:

1. all charges, expenses and legal costs incurred by Us and/or by You, provided such costs were incurred with Our written consent, in the settlement of, or defence of any claim for compensation that You may be liable for under this Section of Your Policy;
2. all charges, expenses and legal costs recoverable from You by claimants resulting from any Occurrence giving rise to legal liability under this Section; and
3. expenses incurred by You for the provision of first aid to others at the time of and resulting from an Occurrence covered by this Section.

All payments listed 1,2 & 3 above will be payable in addition to the Sum Insured listed in the Schedule.

Limits of Liability

The maximum compensation payable under this Section as a result of an Occurrence will not exceed the limit of liability listed in the Schedule. Any claim arising out of continuous or on-going exposure to the same Occurrence or general conditions shall be construed to be arising out of one Occurrence.

Our total aggregate liability during one Period of Insurance arising out of the provision of Your Products shall not exceed the limit of liability stated in the Schedule.

Definitions

Where the following words or expressions appear in this Section, they are deemed to have the following meanings:

Geographic Limitations: means:

1. anywhere in the Commonwealth of Australia;
2. elsewhere in the world but only in respect of:
 - a) Business visits by Your principals, directors or employees who are normally residents of the Commonwealth of Australia, other than such persons engaged in Manual Labour on such visits;
 - b) Your Products exported from the Commonwealth of Australia, other than products exported to the United States of America or the Dominion of Canada, or any state, territory, protectorate or dependency of the United States of America or the Dominion of Canada.

Manual Labour: means work that primarily involves physical exertion. It does not include activities involving sales, marketing or promotion.

Named Insured: means: the insured entity named in the Schedule who carries on or conducts Your Business.

Occurrence: means an event neither intended nor expected by You, including continuous or repeated exposure to substantially the same conditions that results in Personal Injury or Property Damage.

Personal Injury: means

- bodily injury (including death and illness), disability, shock, mental anguish or mental injury;
- false arrest, wrongful detention, false imprisonment or malicious prosecution;
- wrongful entry or eviction or other invasion of the right of privacy;
- a publication or utterance of defamatory or disparaging material;
- assault and battery not committed by You or at Your direction unless committed for the purpose of preventing or eliminating danger to person or property.

Property Damage: means:

- physical damage to or destruction of tangible property including its loss of use following such physical damage or destruction;
- loss of use of tangible property that has not been physically damaged or destroyed provided that the loss of use has been caused by an Occurrence.

Vehicle: means any type of machine on wheels or on self laid tracks made or intended to be propelled by other than manual or animal power and any trailer or other attachment made or intended to be drawn by any such machine.

You/Your: In addition to the General Definitions for You/Your, in this Section You/Your means:

1. the Named Insured;
2. all Your subsidiary companies (now or hereafter constituted) whose place of incorporation is within the Commonwealth of Australia which carry on Your Business;
3. directors, executive officers, partners, shareholders or employees of Your Business or in a company designated in paragraph 2, but only whilst acting within the scope of their duties in such capacity;
4. any principal nominated in any contract or agreement You or a company as designated in paragraph 2 enter into for the liability of any such principal arising out of Your work in Your performance of the contract but limited in all to the extent of coverage and the limit of indemnity provided by this Section;
5. every office bearer or member of sporting or social clubs, canteen and welfare organisations and first aid, fire and ambulance services formed with Your consent in respect of claims arising out of their duties connected with these activities. This cover will not apply to any person or company defined in paragraphs 4 and 6; and
6. Your partner, any joint venturer or joint lessee but only:
 - in respect of liability arising from the partnership, joint venture or joint lease, and
 - provided the partnership, joint venture or joint lease has been notified to Us within 60 days of formation and has been endorsed on the Schedule.

Your Business: means the Business specified on the Schedule including the provision and management of any canteens, sports, social and welfare organisations for the benefit of Your employees, and any first aid, fire and ambulance services and maintenance of Your premises.

Your Products: means any goods, products or property (including any components, packaging or container for any of these) after they have ceased to be in Your possession or under Your control which are or are deemed by law to have been manufactured, grown, extracted, produced, processed, assembled, constructed, erected, repaired, serviced, treated, sold, supplied, resupplied, distributed, imported or exported by You in the course of Your Business.

Exclusions

We will not be liable for any claims in respect of:

1. Aircraft and Watercraft

Personal Injury or Property Damage directly or indirectly arising out of the ownership, maintenance, operation, manufacture, sales, assembly, supply or use by You of:

- a) any Aircraft, hovercraft, or
- b) any Watercraft or vessel exceeding 7.5 metres in length provided that this exclusion does not apply to floating jetties that are attached to land or some other fixed object.

This Exclusion extends to any of Your Products that are used with Your knowledge in Aircraft, hovercraft or Watercraft or vessel exceeding 7.5 metres in length.

2. Contractual Liability

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

- The liability would have been implied by law;
- The liability arises from a provision in a contract for lease of real or personal property other than a provision which obliges the Insured to effect insurance or provide indemnity in respect of the subject matter of that contract;
- The liability is assumed by the Insured under a warranty of fitness or quality as regards the Insured's products; or
- The obligation is assumed under those agreements specified in the Schedule.

3. Defective Design

Personal Injury or Property Damage arising directly or indirectly out of or caused by, through or in connection with any defective or deficient design or error in any formula or in specification provided by You for a fee.

4. Employment Liability

- Personal Injury to any employee arising directly or indirectly out of or in the course of their employment in the Business of the Insured, provided this exclusion does not apply in respect of liabilities for injuries which are not compensated under the Workers' Compensation legislation in Queensland and Western Australia where employment is not the major significant factor causing the injury;
- Any claim or claims arising out of the provisions of any Workers' Compensation legislation or any industrial award or agreement or determination; or
- Which the Insured is or would have been entitled to seek indemnity under any Policy of insurance required to be taken out pursuant to any legislation relating to workers' or workmen's compensation including any legislation of any State or Territory (whether insurance is effected or not).

For the purpose of this exclusion, "employee" shall mean any person engaged under a contract of service or apprenticeship with the Insured but does not include any person employed under such a contract who is excluded from the definition of worker under any Workers' Compensation legislation.

5. Erection and Alterations to Buildings

Personal Injury or Property Damage arising directly or indirectly out of or caused by, through, or in connection with the erection, demolition of and/or alteration or addition to buildings or structures by You or on Your behalf, except where the completed value of such work does not exceed \$100,000 in total.

6. Excess

The Excess specified in the Schedule or attached by endorsement, being the first amount payable by You in respect of each claim.

7. Faulty Workmanship

The cost of performing, re-performing, completing, correcting or improving any work undertaken by You.

8. Fines, Penalties

Fines, penalties or liquidated damages.

9. Known Defects

Personal Injury or Property Damage arising directly or indirectly out of or caused by, through, or in connection with any defect or deficiency in Your Products of which You or Your agents have knowledge or have reason to suspect at the time when Your Products pass from Your actual physical control or from the actual physical custody of any person under Your control.

10. Libel or Slander

Liability arising out of the publication or utterance of a libel or slander:

- a) made prior to the commencement of this Period of Insurance, or
- b) made by or at the direction of You with knowledge of the falsity thereof, or
- c) relating to advertising, publishing, printing, broadcasting or telecasting activities conducted by You or on Your behalf.

11. Loss of Use

Loss of use of tangible property that has not been physically damaged or destroyed resulting from:

- a) a delay in or lack of performance by or on behalf of You of any contract or agreement;
- b) the failure of Your Products to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by You,

provided this paragraph 2 shall not apply to the loss of use of other property resulting from the sudden and accidental physical damage to or destruction of Your Products after such products have been put to use by any person or organisation other than You.

12. Product Defect

Property Damage to the Insured's Products if the damage can be attributed to or if the damage arose directly or indirectly out of or in connection with the products:

- Harmful nature;
- Defectiveness;
- Unsuitability for the intended use;
- Inherent vice; and
- Inefficiency or ineffectiveness.

13. Products recall

Claims or costs arising out of or resulting from the withdrawal, recall, inspection, repair, replacement investigation of or loss of use of the Insured's Products or of any property of which they form a part, if such Products or property are withdrawn from the market or from use because of any known or suspected defect or deficiency in the product or the accompanying use and/or storage instructions or the lack thereof.

14. Professional Advice or Service

The rendering of or failure to render professional advice or service by the Insured or any error or omission connected therewith; including but not limited to any breach of duty owed in a professional capacity by any of the directors and officers insured, where persons in breach of such duty may be legally liable.

This exclusion shall not apply to the rendering of or failure to render professional medical advice by Medical persons employed by You to provide first aid or other medical services on your premises, provided that such medical advice or services in not given for a fee.

15. Property in Physical or Legal Control

Property Damage to:

1. property owned by or leased or rented to You, or
2. property in Your physical or legal control,

But this exclusion shall not apply to liability for Property Damage to:

- a) premises (including landlords fixtures and fittings) which are leased or rented to You;
- b) premises (or the Contents thereof) not owned, leased or rented by You, but temporarily occupied by You for work therein but no cover is granted for damage to that part of the property on which You are working and which arises out of such work

- c) Vehicles (not belonging to or used by or on behalf of You) in Your physical or legal control where such Property Damage occurs whilst any such Vehicles are in a car park owned or operated by You. Cover under this paragraph does not apply if You as part of Your Business are a car park owner or operator for reward;
- d) employees' property
- e) any other property not specified in clauses a) to d) inclusive, which is in Your physical or legal control subject to Our liability not exceeding \$10,000 (or any other amount agreed by Us and specified in the Schedule) arising out of any one Occurrence.

However, We shall not be liable for:

- a) Property Damage to goods or property whilst being transported or carted;
- b) Property Damage to that part of any property upon which You have been working where such Property Damage arises from such work.

16. Vehicles

Personal Injury or Property Damage arising out of the ownership, possession, operation, maintenance or use by the Insured of any Vehicle:

- Which is registered or which is required under any legislation to be registered; or
- In respect of which compulsory liability insurance or statutory indemnity is required by virtue of any legislation (whether or not that insurance is effected).

This Exclusion does not apply to:

- Personal Injury where:
 - That compulsory liability insurance or statutory indemnity does not provide indemnity; and
 - The reason or reasons why that compulsory liability insurance or statutory indemnity does not provide indemnity do not involve a breach by the Insured of legislation relating to vehicles.
- Property Damage arising out of and during the loading or unloading of goods to or from any vehicle.
- Property Damage caused by or arising from the operation or use of any vehicle which is designed primarily for lifting, lowering, loading, unloading, digging or drilling whilst being operated or used by or on behalf of the Insured within the confines of the premises of the Insured.
- Property Damage caused by the use of any tool or plant forming part of or attached to or used in connection with any vehicle (excluding whilst the vehicle is travelling, transporting or carting goods) at any work site.

17. Exports to USA or Canada

Claims in respect of Personal Injury and/or Property Damage caused by or arising out of the Insured's Products knowingly exported by the Insured, or the Insured's agents or servants, to the United States of America or Canada.

18. Punitive Damages

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

19. Treatment or Dispensing

Personal Injury or property damage caused by:

- The performance of treatment to humans or animal for beautification, cosmetic enhancement or to remedy illness, mental or physical deficiency, disease or injury;
- The prescribing of activities, pharmaceuticals, medical or herbal remedies to improve performance or appearance, or to alleviate pain illness, disease, mental or physical deficiency, disease or injury; or
- Dispensing of drugs, medicines, pharmaceutical supplies or artificial aids.

20. Assault and Battery

Personal Injury or Property Damage caused by or arising from assault and battery committed by You or with your knowledge or at Your direction unless reasonably necessary for the protection of persons or property.

21. Damage to Property owned by You

Property damage to property that You own

22. Child Molestation

The molestation or interference with any person legally considered a minor by:

- You;
- Any of Your employees;
- Any person that works or acts on behalf of Your business;
- Any person performing any voluntary work or services or work experience for You or on Your behalf.

Further, we will not have any duty to defend any action, suit, or proceedings brought against any person mentioned above or any entity insured by this policy where compensation is sought, whether directly or vicariously, in respect to any molestation or interference to any person legally considered a minor or any personal injury resultant therefrom.

23. Participants

Personal Injury or property damage to any party caused by their own or their properties participation in any match, race, health or fitness class, game, competition, trial or other sporting activity, training or event.

24. Communicable disease

The contraction of or the transmission of any communicable disease through any work related activity and/or any intentional or deliberate action or process which involves the transfer of or the potential transfer of bodily fluids, including but not limited to any sexually transmitted disease.

25. Dangerous goods

The manufacture, storage, filling, breakdown, or transportation of:

- fireworks, ammunition, gunpowder, nitro-glycerine, celluloid, pyroxylin or other explosives;
- gases or air under pressure in containers in quantities exceeding 500 litres in total. This exclusion does not apply to the static risk of service stations;
- asbestos.

26. Welding, thermal or oxygen cutting or heating

Any claim resulting from welding, thermal or oxygen cutting or heating or any other heat producing or spark producing operations where the loss, damage or injury was caused by or contributed to by You or any person working on Your behalf or for whom You are responsible as a result of failure to comply with the precautions and requirements specified in the Australian Safety Standard 1674.1-1997 " Safety in Welding and allied processes – Fire precautions" or any updates of this standard

Conditions

1. Cross Liability - Joint Insureds

Where more than one person or party comprises You as defined, each of the parties shall be considered as a separate and distinct unit and the word You shall be considered as applying to each party in the same manner as if a separate policy had been issued to each party provided that nothing in this clause shall result in an increase of Our limit of indemnity in respect of any Occurrence or Period of Insurance.

2. Reasonable Precautions

1. Without in any way restricting or limiting Your obligations under General Condition 7, Reasonable Care, You must take all reasonable precautions to:
 - (i) prevent Personal Injury or Property Damage;
 - (ii) ensure that Your Products are manufactured, promoted, sold or supplied without defect;
 - (iii) ensure that the premises from which Your Business is carried on or conducted are regularly maintained and kept in a good state of repair and maintenance and free of waste material and rubbish; and

2. At Your own expense, You must take immediate action to trace, recall or modify any of Your Products containing any defect or deficiency of which You have knowledge or have reason to suspect, including (but not limited to) any of Your Products subject to Government or statutory ban.

3. Notices

As soon as possible You are to provide Us with written notice and all relevant information of:

- a) every Occurrence, claim, writ, summons, proceedings, impending prosecution and inquest which may result in a claim under Your Policy, whether or not You believe any claim may fall below the Excess stated in the Schedule
- b) every change materially varying any of the facts or circumstances existing at the commencement of Your Policy that shall come to Your knowledge.

Any written notice We give to You shall be deemed to be notice given to each of the parties You comprise.

Notices given by Us shall be effective upon receipt by You if We send them by facsimile, telex or electronic mail message. In the case of notices by post, they will be effective three business days after We post them.

4. Property Owners

Where the occupation is shown on the schedule as "Property Owners", the Territorial Limitation will be restricted to the Location(s) shown in the Schedule.

We will not be liable for any claims arising out of or connection with the occupation of the tenant(s) of the premises including the maintenance, upkeep or housekeeping of the tenant(s) at the Risk address.

We will also not be liable for any claims arising out of or in connection with any business, profession, trade or manufacturing operations conducted by You or any other persons insured or otherwise, other than as owners of property at the insured Location(s).

5. Discharge of Liabilities

We may at any time pay You in respect of all claims against You arising from an Occurrence the balance of the Limit of Liability or any smaller for which the claim or claims can be settled and upon that payment We will relinquish conduct or control of and be under no further liability under this Policy in connection with those claims except for costs, charges and expenses:

- Recoverable from You for all or part of the period prior to the date of such payment;
- Incurred by Us; or
- Incurred by You with Our written consent of prior to the date of such payment.

Section 7 - Transit of Property by Road

The Cover

We will pay You in respect of loss of or damage to Insured Property whilst in transit by road anywhere in Australia in one of Your Vehicles caused by:

- Fire
- Flood and/or lightning and/or explosion
- Theft from a locked Vehicle following visible violent and/or forcible entry;
- Collision and/or overturning of Your Vehicle.

Definitions

Insured Property: means

- Stock and/or customers goods for which You accept responsibility;
- Plant and/or equipment of Your trade, Business and/or occupation;
- Tools and/or utensils of Your trade and/or occupation, provided none of these are specifically excluded

Stock: means stock in trade which belongs to You or for which You are legally responsible, including Stock You acquire during the Period of Insurance, but not cigarettes, tobacco or cigars.

Vehicle: means any type of machine on wheels or on self laid tracks made or intended to be propelled by other than manual or animal power and any trailer or other attachment made or intended to be drawn by any such machine.

Basis of Settlement

In the event of an insured loss We will at Our option:

- indemnify You for the value of the Insured Property lost or damaged; or
- replace the Insured Property.

Under this Section, the value of the Insured Property lost or damaged will be determined as:

1. for goods sold - Your invoice value;
2. for goods purchased - the purchase price as shown on the invoice;
3. for all other Insured Property - the market value of the Insured Property immediately prior to the event giving rise to the loss or damage.

Specific Exclusions

We will not pay for any loss or damage caused by or arising out of:

1. the conveying Vehicle being in an unsafe or unroadworthy condition unless You could not reasonably have detected such condition;

2. the conveying Vehicle being driven by a person under the influence of any drug or alcohol, or by any person who is convicted of driving, at the time the damage occurs, under the influence of intoxicating liquor or by any person with a percentage of alcohol in their breath or blood in excess of the percentage permitted by law. However, this exclusion shall not apply if You are able to prove that You did not know that the driver of the Vehicle was so affected;
 3. collision or contact by the conveying Vehicle with the roadside curb or any uneven road surface;
 4. delay, loss of market, depreciation, deterioration or consequential loss of any description;
 5. electrical or mechanical derangement unless damage is visible to the exterior of the damaged machine.
- And, We will also not pay for:
6. any loss from an unattended Vehicle left overnight unless within securely locked premises;
 7. loss of or damage to Money, jewellery, watches, furs, antiques, paintings, works of art, precious metals, precious stones or articles containing or composed of any of them, explosives, petroleum products in bulk or gas in bulk or livestock;
 8. loss of or damage to cigarettes, tobacco, tobacco products, wines, spirits or other alcoholic beverages, unless specifically listed on the Schedule.

Specific Conditions

1. Excess

We will deduct the Excess shown in the Schedule from each and every claim.

2. Re-instatement

In the event of Loss or Damage from events insured under this section, the amount by which the Sum Insured or Limits of Liability is reduced as a consequence of the loss or damage will be automatically re-instated as from the date of loss provided that:

- There is no written request from You or Written notice by Us to the contrary,
- This section is an operative Section of the Policy,
- The claim has been notified to Us,
- You implement any risk improvements required by Us within a reasonable time frame; and
- You pay the premium we require for the reinstatement.

Such re-instatement will be automatic only once during the period of insurance, purchasing of further cover past the first re-instatement will be on the basis of offer and acceptance only.

Section 8 - Electronic Equipment

The Cover

We will indemnify You for unforeseen physical loss or damage to the Insured Items listed in the Schedule, occurring at the Risk Address other than:

1. loss or damage caused by an event for which cover is available under Specified Perils 1 to 8 of the Fire & Specified Perils Section of Your Policy; and
2. loss or damage caused by an event for which cover is available under the Burglary Section of Your Policy.

We will also indemnify You for loss or damage caused to Data Media as if it were an insured Item, including such Data Media whilst located elsewhere in Australia, provided the sole purpose of location elsewhere is for processing or safekeeping, including whilst in transit for these purposes.

Definitions

Data: means proprietary software or information input, stored or recorded onto Data Media.

Data Media: means material designed to carry, store or record Data including but not limited to tapes, discs, diskettes and cards.

Insured Items: means all equipment specified in the Schedule of Your Policy.

Basis of Settlement

In the event of an insured loss under this Section We will indemnify You by, at Our option, paying the cost of repairing or replacing the Insured Items, limited always to the Sum Insured listed for each Insured Item in the Schedule.

Cost of Repair

Subject to the Cost of Replacement clause following, We will pay the costs necessarily incurred to restore the damaged Insured Item to the condition it was in prior to the loss or damage occurring, including:

- a) costs of dismantling and reassembly and/or reinstallation;
- b) removal of debris;
- c) any overtime or similar penalty rate costs up to a limit of 10% of the Sum Insured;
- d) freight charges within Australia up to a limit of 10% of the Sum Insured; and
- e) statutory charges including sales tax, customs duties and/or GST, provided such charges were included in the Sum Insured for the Insured Item.

In the event that any required parts are unavailable, and the item is otherwise repairable, We will compensate You for the amount that the part would have cost, if available, to replace or the cost of similar parts in similar items that are still available.

Cost of Replacement

1. Items less than 5 years old Where the Insured Item is replaced, or where the Cost of Repair above exceeds:
 - a) the Sum Insured for the Insured Item; or
 - b) the cost of replacement of the Insured Item or an item of similar type, function and quality as new,

We will pay for the lesser of (a) and (b).

2. Items 5 years old or more

Where the Insured Item is replaced, or where the Cost of Repair above exceeds:

- a) the Sum Insured for the Insured Item;
- b) the market or actual depreciated value of the Insured Item; or
- c) the cost of a replacement of the Insured Item or an item of similar type, function and quality,

We will pay the lesser of (a), (b) or (c), but not less than 20% of the Sum Insured for that Insured Item.

Specific Exclusions

Your Policy does not cover:

1. Any costs associated with:
 - a) cleaning or maintenance services;
 - b) alterations, additions, improvements, overhauls, adjustments, or replacement of undamaged components whether carried out in the course of repairs or as a separate operation;
 - c) replacement or restoration following gradual deterioration including rust, corrosion, erosion, oxidisation or scale formation;
 - d) repair of or claims for scratches to, or discolouration of, painted or polished surfaces;
 - e) wear and tear and or the replacement of component parts worn through normal use of operation;
 - f) atmospheric moisture or temperature unless directly resulting from damage to air-conditioning equipment which would be indemnified if the Equipment were insured under Your Policy;
 - g) provisional repairs or remedial actions unless such repair or actions constitute part of the final repairs and do not increase the total repair costs.

2. Any costs associated with loss or damage unless necessary as part of the rectification of loss or damage indemnifiable under Your Policy, to the following parts of Insured Items:
 - a) belts, chains, tapes, ribbons, films, filters, worn or spent batteries, glass components, lubricants, operating media;
 - b) electric heating elements, filaments, fuses, electrical contacts;
 - c) valves, tubes, picture tubes, globes, light sources which are components of the Insured Items and which have reached the end of their normal working life or which are being replaced because of the damage which in the opinion of the manufacturer of the item affected has been caused by the wearing out resulting from ordinary use of working.
3. Any additional costs due to:-
 - a) delay or detention;
 - b) penalties or consequential loss of any kind or description whatsoever unless specifically endorsed into Your Policy.
4. Any loss, damage or disappearance occurring whilst an Insured Item is away from the Risk Address on hire, loan, rental or lease.
5. Any damage or losses otherwise recoverable by You under any maintenance or service agreement or manufacturers warranty, or losses that would have been recoverable but for a breach of the conditions of such agreements or warranty by You.
6. Any loss of or damage to Data.

Specific Conditions

1. Under Insurance/Average

In the event of loss or damage insured under Your Policy, if the respective Sum(s) Insured shown on the Schedule at the time of loss or damage are less than 80% of the Full Value of such property at the time of loss or damage, then We will only pay the proportion of the actual loss or damage that the respective Sum(s) Insured bear to the actual Value of the property.

The definition of Full Value shall mean:

1. In respect of items less than 5 years old, the replacement cost of the item, or item with similar characteristics, as new;
2. In respect of items 5 years old or more, the market or depreciated Value of the item at the time immediately prior to the loss.

For full explanation please refer to clause 18 Under Insurance/Average under the General Condition section.

2. Re-instatement

In the event of Loss or Damage from events insured under this section, the amount by which the Sum Insured or Limits of Liability is reduced as a consequence of the loss or damage will be automatically re-instated as from the date of loss provided that:

- There is no written request from You or Written notice by Us to the contrary,
- This section is an operative Section of the Policy,
- The claim has been notified to Us,
- You implement any risk improvements required by Us within a reasonable time frame; and
- You pay the premium we require for the reinstatement.

Such re-instatement will be automatic only once during the period of insurance, purchasing of further cover past the first re-instatement will be on the basis of offer and acceptance only.

Optional Benefits

When the Optional Benefits detailed below are specified and shown as operative on the Schedule, and a claim has been admitted for loss or damage to Electronic Equipment under this Section of Your Policy, We will also pay for:

1. Restoration of Data

The reasonable costs incurred for the purpose of reproducing or restoring the Data lost as a result of damage covered under this Section, including the cost of overtime necessarily incurred, provided that:

- a) the Data is backed up at least once every week;
- b) the Data backup is kept in a safe or strong room or a secure off-site location;
- c) Our liability in respect of any one event will not exceed the Sum Insured specified in the Schedule;
- d) the Data Media is at the time of the loss or damage:
 - i) at the Risk Address;
 - ii) at a Data storage situation used by You for that purpose;
 - iii) temporarily at any alternative situation for processing purposes; or
 - iv) in transit between any of the above within Australia.

Basis of Settlement for this Optional Benefit

We will indemnify You for reasonable expenses necessarily incurred to reproduce or restore the Data lost to a condition equivalent to that existing before the loss or damage and necessary to allow the normal operation of the electronic Data processing system of which the insured Electronic Equipment formed part. Lost Data may be reproduced in an updated form if the cost is no greater than that of reinstating it in its original form.

2. Increased Cost of Working

The increased cost of working incurred during a period not exceeding three months unless otherwise specified on the Schedule, and commencing from the date the increased costs of working were first incurred, provided that:

- a) the cost is proven to have been necessarily and reasonably incurred during the period, over and above the normal expenses You would have incurred during the period in respect of the operation of the insured Electronic Equipment;
- b) We will not pay any more than the actual costs borne by You;
- c) We will not pay more than the Sum Insured shown in the Schedule.

Basis of Settlement for this Optional Benefit

We will indemnify You for the following increased costs necessarily and reasonably incurred following an interruption to the normal operation of the Insured Items during the immediate three month period from the date of loss, which are over and above the normal expenses incurred by You in the operation of the Insured Items under this Section:

- a) reasonable professional fees of accountants or auditors and any other reasonable expenses payable by You and necessarily incurred by You which are not otherwise recoverable for preparation of a valid claim under this Optional Benefit;
- b) additional personnel expenses;
- c) additional expenditure for the rental of substitute computers;
- d) additional transportation expenses.

Excess applicable to this Optional Benefit

A 2 day Excess applies which shall commence from the first day of interruption.

3. Transit And Temporary Removal - Including Laptop Computers

Insured Items specified on the Schedule whilst:

- a) in transit within the Commonwealth of Australia; or
- b) temporarily removed from the Risk Address within the Commonwealth of Australia.

Specific Exclusions for this additional benefit

We will not pay for:

1. loss or distortion of information which does not arise from physical loss or damage to the Data Media material on which it is stored or recorded;
2. any cause, event or occurrence otherwise excluded under this Section;
3. more than four weeks' period of interruption resulting from delays due to:
 - a) measures, restrictions or regulations imposed by any public, statutory or government authority;
 - b) the time required to obtain replacement component parts or complete items overseas;
 - c) the time required to transport parts or complete items between the Risk Address and the overseas place of repair or restoration; or
 - d) the time required to engage and transport overseas specialists or consultants to attend to local repairs.
4. loss or damage due to theft or attempted theft whilst the Insured Items are unattended, unless such Insured Items are securely locked in a building or motor vehicle and are kept out of the sight of persons external to the building or vehicle;
5. loss or damage from any cause whilst the Insured Items are installed or carried in or on any Watercraft;
6. loss or damage from any cause whilst the Insured Items are carried in an Aircraft or aerial device or by commercial road transport, unless:
 - a) the Insured Items are packed in manufacturer's original shipment containers and packing or purpose built transportation containers; or
 - b) the Insured Items are carried as personal hand luggage by You.
7. the first \$250 of any claim under this Optional Benefit

Section 9 - Machinery Breakdown

The Cover

We will indemnify You for unforeseen physical loss or damage to the Insured Items listed in the Schedule, occurring at the Risk Address other than:

1. loss or damage caused by an event for which cover is available under Specified Perils 1 to 8 of the Fire and Specified Perils Section of Your Policy; and
2. loss or damage caused by an event for which cover is available under the Burglary Section of Your Policy.

We will also pay up to 10% of the Sum Insured towards the cost of hiring temporary replacement Machines during the time taken to repair any insured loss or damage.

Cover applies to Machines situated at the Risk Address but only after completion of successful initial commissioning.

Limits Applying to the Cover

The most We will pay in respect of any one item is \$5,000.

The most We will pay in aggregate during any one Period of Insurance is \$10,000.

Definition

Machine: means mechanical and electrical plant and machinery listed in the Schedule but not:

- a) boilers or pressure vessels,
- b) central air-conditioning plant,
- c) submersible pumps,
- d) motor vehicles or other mobile plant,
- e) lifts.

Basis of Settlement

In the event of a claim under this Section, We will pay at Our option to:

- a) repair the Machine; or
- b) reinstate the Machine; or
- c) replace the Machine

to a condition equal to but not better than the Machine's condition immediately prior to the loss or damage, subject always to the limits listed under The Cover.

In the event that any required parts are unavailable, and the item is otherwise repairable, We will compensate You for the amount that the part would have cost, if available, to replace or the cost of similar parts in similar items that are still available.

Where We choose to repair the Machine, We will also pay for:

- a) costs of dismantling and reassembly and/or reinstallation;

- b) removal of debris;
- c) any overtime or similar penalty rate costs;
- d) freight charges within Australia up to a limit of 10% of the Sum Insured; and
- e) statutory charges including sales tax and/or customs duties.

We will also pay for the cost of replacing lubricants, oils and/or refrigerant gases lost or contaminated as a result of the insured damage or the process of repair or reinstatement subsequent to the insured damage.

Additional Benefit

Automatic additions

For the purpose of this Section, We shall consider any Machine purchased during the Period of Insurance and not listed in the Schedule to be covered, as though they were listed in the Schedule, for a period up to but not longer than 30 days from date of delivery to the Risk Address.

Optional Benefit

When the Optional Benefit detailed below is specified and shown as operative on the Schedule, and a claim has been admitted under this Section, We will also pay for:

Deterioration of Stock

Deterioration of perishable goods You own or for which You are responsible, contained in refrigerated chambers cooled by any Machine(s) insured under this Section and located at the Risk Address. Provided that the deterioration is a result of:

1. a change in temperature due solely to:
 - a) loss or damage to refrigeration Machine(s) insured under this Section;
 - b) operation or failure of thermostats, fuses or overload devices protecting the refrigeration machinery, but not if caused by the manual operation or setting of any switches;
 - c) the accidental failure of the public power supply service;
 - d) the sudden leakage of refrigerant gas or liquid from the insured Machine(s)
2. the contamination of refrigerated goods resulting solely from the sudden leakage of refrigerant from the Machine(s).

Basis of Settlement for this Optional Benefit

We will indemnify You for the cost of replacing (at cost price to You) the deteriorated refrigerated goods immediately prior to the loss or damage.

Any salvage will be deducted from the amount of the settlement.

Specific Conditions for this Optional Benefit

1. Re-instatement

In the event of Loss or Damage from events insured under this section, the amount by which the Sum Insured or Limits of Liability is reduced as a consequence of the loss or damage will be automatically re-instated as from the date of loss provided that:

- There is no written request from You or Written notice by Us to the contrary,
- This section is an operative Section of the Policy,
- The claim has been notified to Us,
- You implement any risk improvements required by Us within a reasonable time frame; and
- You pay the premium we require for the reinstatement.

Such re-instatement will be automatic only once during the period of insurance, purchasing of further cover past the first re-instatement will be on the basis of offer and acceptance only.

Additional Benefit for this Optional Benefit

Seasonal Increase In The Sum Insured

This Additional Benefit increases the Sum Insured if shown in the Schedule for Deterioration of Refrigerated Goods by 25% for:

- a) the months of November and December;
- b) for a period of 30 days up to and including Easter Tuesday; and
- c) any gazetted Bank or public holiday, unless stated otherwise in the Schedule.

This additional benefit will apply only to refrigerated goods that form part of the Sum Insured that relates to Stock.

Specific Exclusions for this Optional Benefit

We will not pay for:

1. the Excess stated in Your Policy Schedule;
2. any loss or damage resulting from any cause, event or occurrence otherwise excluded under this Section;
3. loss or damage arising as a result of shrinkage, inherent defects or diseases, natural deterioration or natural putrefaction;
4. loss or damage arising from improper storage or stowage;
5. loss or damage arising from collapse of packing material or storage structures;
6. loss or damage due to failure of public supply services resulting from:
 - a) a deliberate act from the supply authority;
 - b) shortage of fuel or water for power generation,
7. the exercise of any supply authority of its power to withhold or restrict supply.

Specific Exclusions

Your Policy does not cover:

1. Any costs associated with:

- (a) cleaning or maintenance services;
- (b) alterations, additions, improvements or overhauls, adjustments or replacement of undamaged components whether carried out in the course of repairs or as a separate operation;
- (c) replacement or restoration following gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation);
- (d) repair of or claims for scratches to, or discolouration, of painted or polished surfaces.

2. The cost of replacement of:

- (a) worn or spent belts, filters, refrigerant dryers, fuses, electric heating elements, electrical contacts, thermostats, thermostatic expansion valves, lamps gland packing, seals, cutting blades, glass or ceramic components, fuel lamps, collecting brushes, belts, joints or non metallic parts and all operating media.
- (b) wear and tear and the replacement of component parts worn through normal use or operation;
- (c) adjustment, cleaning or recharging of refrigeration or air conditioning equipment unless necessary as part of the repair of a Machine insured by Your Policy;
- (d) provisional repairs for remedial action unless such repair or action constitute part of the final repairs and do not increase the total repair costs;
- (e) loss of refrigerant, oil or lubricant due solely to worn or deteriorated seals or valves.

3. Loss, damage or breakdown

caused by or arising from an event covered under any other Section of Your Policy.

4. Loss, damage or expense

attributable to any usage beyond or outside the manufacturers specifications.

5. Any additional costs due to:

- (a) delay or detention;
- (b) penalties; or
- (c) consequential loss of any kind or description whatsoever unless specifically included in this Section.

6. Any damage or losses

otherwise recoverable by You under any maintenance or service agreement or manufacturers warranty, or losses that would have been recoverable but for a breach of the conditions of such agreements or warranty by You.

7. Any damage or loss

to any Machine that:

- a) was acquired more than 30 days prior to the date of loss, and
- b) was not listed on the Schedule.

Specific Condition

Excess

The Excess shown in the Schedule applies to each and every claim.

Section 10 General Property Insurance

The Cover

We will indemnify You for sudden or unforeseen loss or damage to the property insured listed in the Schedule anywhere in Australia, subject to the Basis of Settlement and the Specific Exclusions listed in this Section.

Basis of Settlement

We will indemnify You at Our option to:

1. repair or reinstate damaged property to its former working order;
2. pay You the Market Value of the item as it existed immediately prior to the loss or damage;
3. replace the item to a condition equal to but not better than the item's condition immediately prior to the loss or damage.

In the event that any required parts are unavailable, and the item is otherwise repairable, We will compensate You for the amount that the part would have cost, if available, to replace or the cost of similar parts in similar items that are still available.

If "Unspecified Tools of Trade" are listed on the Schedule, We will not pay more than \$1,000 for any one item.

Specific Exclusions applying to this Section

1. We will not pay for:

- a) the Excess payable under this Section as listed in the Schedule;
- b) any loss or damage occurring outside the Commonwealth of Australia.

2. Any loss, destruction or damage caused by:

- a) Fire, as described in Specified Peril 1 of Section 1 of Your Policy;
- b) theft or burglary other than theft resulting from violent and forcible entry to the securely locked building or vehicle (or securely locked part of the building or vehicle) in which the insured property is contained;
- c) error or omission in design, plan or specification or failure of design;
- d) faulty materials or faulty workmanship;
- e) fraud or dishonest acts, embezzlement, forgery, erasure, counterfeiting, loss induced by deception and fraudulent misappropriation by electronic means or otherwise;
- f) loading or unloading, delivery or dispatch;
- g) any process of property undergoing repair, construction, erection, alteration or demolition;
- h) testing, intentional overloading or experiments;
- i) any computer virus;
- j) any process of heat treatment, welding, grinding, cutting, drilling, shaping or the application of tools to the Property Insured;

- k) the action of the sea, tsunami or tidal wave;
- l) mechanical, hydraulic, electrical or electronic breakdown, failure, malfunction or derangement of any machine or electrical or electronic device or temperature controlling equipment;
- m) faulty packaging or storage;
- n) wear and tear, fading, scratching or marring, gradual deterioration or developing flaws, normal upkeep or making good;
- o) rust, oxidation, mildew, mould, moths vermin, insects, change of colour, cleaning, dying or alteration to the Property Insured.

3. We will not pay for any loss, destruction or damage caused to:

- a) any property during the course of and as a result of its processing;
- b) Money, jewellery, furs, bullion, precious metals or precious stones other than as Stock;
- c) property in the open air caused by wind, rainwater or hail unless such property is designed to function without the protection of walls or roofs;
- d) any Insured Property whilst being used for the purpose for which it was designed;
- e) motor vehicles, caravans, trailers, motor cycles, Watercraft, Aircraft or aerial devices or the accessories to any of these;
- f) property insured during construction, erection or renovation;
- g) livestock, animals, birds or fish;
- h) crops, standing timber, plants, shrubs or pastures.

Specific Conditions

1. Re-instatement

In the event of Loss or Damage from events insured under this section, the amount by which the Sum Insured or Limits of Liability is reduced as a consequence of the loss or damage will be automatically re-instated as from the date of loss provided that:

- There is no written request from You or Written notice by Us to the contrary,
- This section is an operative Section of the Policy,
- The claim has been notified to Us,
- You implement any risk improvements required by Us within a reasonable time frame; and
- You pay the premium we require for the reinstatement.

Such re-instatement will be automatic only once during the period of insurance, purchasing of further cover past the first re-instatement will be on the basis of offer and acceptance only.

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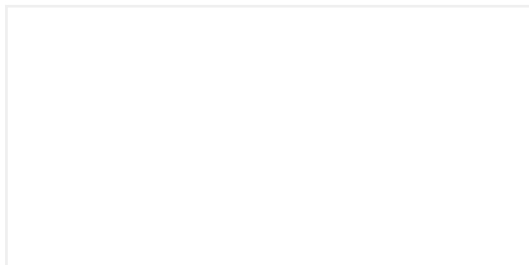
8.30am-8.30pm EST, 7 days a week
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www.australianunity.com.au

gi@australianunity.com.au

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