

Commercial Package Policy



In an uncertain world, it's good to know there's someone committed to protecting your business. In this document you'll find SafetyCulture Care's and the insurer's commitments described in detail.

By taking the time to read these pages you'll know exactly what you're covered for. You'll also learn what to do if you need to make a claim.

Claims made

Part A Directors & Officers Liability and Part B Employment Practices Liability of the Management Liability Section of the policy wording operates on a “claims made and notified” basis. This means that the section covers you for claims as defined in the Management Liability Section made against you and notified to SafetyCulture Care or the insurer during the policy period.

The Management Liability section does not provide cover in relation to:

- acts, errors or omissions actually or allegedly committed prior to the retroactive date of the policy (if such a date is specified);
- claims made after the expiry of the policy period even though the event giving rise to the claim may have occurred during the policy period;
- claims notified or arising out of facts or circumstances notified (or which ought reasonably to have been notified) under any previous policy that this policy replaces;
- claims made, threatened or intimated against you prior to the policy period or prior to the retroactive date of the policy (if such a date is specified in your policy schedule);
- facts or circumstances of which you first became aware prior to the policy period, and which you knew or ought reasonably to have known had the potential to give rise to a claim under this policy section;
- claims arising out of circumstances noted on the application and/or proposal for the current policy period or on any previous application and/or proposal.

Where you give notice in writing to SafetyCulture Care or the insurer of any facts that might give rise to a claim against you as soon as reasonably practicable after you become aware of those facts but before the expiry of the policy period, and provided the claim would otherwise be covered under the policy, you have rights under Section 40(3) of the Insurance Contracts Act 1984 (Cth) to be indemnified in respect of any claim subsequently made against you arising from those facts even though that claim is made after the expiry of the policy period. Any such rights arise under the legislation only. The terms of the policy section and the effect of the policy section is that you are not covered for claims made against you after the expiry of the policy period.

Please note that the above may be affected by any defined discovery period where applicable which may extend time for notification of a claim as defined.

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General Information

The general information set out below is provided for your information only. It does not form part of the insurance contract with you, and is not part of the policy.

Managing risk is more than insurance

Welcome to SafetyCulture Care. While traditional insurance companies fix things after incidents, SafetyCulture Care also wants to help stop them from happening in the first place.

To help you better manage your business risks, SafetyCulture Care will provide you with access to the free version of the SafetyCulture app, a mobile inspection app that makes it easy to monitor and manage safety, quality and efficiency. SafetyCulture Care will use the information you provided to create your SafetyCulture app account.

The SafetyCulture app enables its users to conduct digital inspections to get on top of day to day business risks and prevent issues before they impact the business. The SafetyCulture app is the flagship product of SafetyCulture, a global technology company that helps businesses around the world achieve safer, higher quality and more efficient workplaces by digitising business operations and processes. The SafetyCulture App is supplied and supported solely by SafetyCulture and independently of the insurance policy and the insurer. Therefore the insurer has no liability for the SafetyCulture App or how you use it.

In an uncertain world, it's good to know there's someone committed to covering your business.

By taking the time to read these pages you'll know exactly what you're covered for under the Commercial Package Insurance Policy, what you can expect from the insurer and what the insurer expects of you. You'll also learn what to do if you need to make a claim or a complaint - it'll be time well spent.

This is an important document about insurance. It explains what is and what is not covered under the policy and your obligations. To check if the policy meets your needs, you need to understand it. If you cannot read and understand English please seek assistance from someone who can help you understand it in your preferred language.

About this document

There are two parts to this document. The first part is Important Information which includes information about your duty of disclosure, how SafetyCulture Care and the insurer will protect your privacy, how to make a complaint or access our dispute resolution service, and other important information. This is not part of the policy contract with you.

The second part is your policy wording which sets out the standard covers, benefits, terms, conditions and exclusions of the policy. The policy wording comprises several parts: Our Agreement, General Definitions, General Exclusions, General Conditions, Claims Procedures and Conditions, and the different sections of cover.

If SafetyCulture Care issues a policy to you, a policy schedule will be provided to you at the same time. The policy schedule sets out the specific terms applicable to your cover and should be read together with the policy wording.

The policy wording and policy schedule form your legal contract with the insurer so please keep them in a safe place for future reference. You should check the policy schedule when you receive it to ensure it accurately states what you have insured.

Because SafetyCulture Care and the insurer don't know your own personal circumstances, personal advice about the insurance will not be provided. Instead you should treat any advice in this document as purely general in nature. Any advice given about the insurance doesn't consider your objectives, financial situation or needs. You should carefully consider the information provided with regard to your personal circumstances to decide if it's right for you.

If you require personal advice about the insurance, contact a qualified insurance broker.

For more information

Take the time to read through this document and if you have any questions, need more information or to confirm your cover, please contact SafetyCulture Care, whose contact details are set out in this document and other documentation provided to you, or your broker.

Important information

Full details of how to make a claim are provided in the 'Claims Procedures and Conditions'.

About the insurer

This policy is underwritten by Allianz Australia Insurance Limited ABN 15 000 122 850 AFS Licence No. 234708 (Allianz).

About SafetyCulture Care

Insurance products are issued by SafetyCulture Care Australia Pty Ltd ABN 54 662 653 303 AFS Licence No. 544306 ("SafetyCulture Care"). SafetyCulture Care acts as agent for Allianz, the insurer, to market, solicit, offer, arrange and administer the insurance. SafetyCulture Care has a binding authority to issue, renew, vary and cancel contracts of insurance and to handle and settle claims on behalf of Allianz.

In all aspects of the policy SafetyCulture Care acts for the insurer and not for you.

SafetyCulture Care's contact details as shown below, and in the Complaints section of this Important Information.

Email: underwriting.care@safetyculture.com
Phone: 1300 164 884
Post: PO Box 304, Surry Hills, NSW 2010

Summary of policy sections

This policy provides a convenient way of protecting your major business assets and liability under one insurance policy. You can select which areas of cover and which limits to apply under the policy to suit your business needs.

The table below provides a summary of the key types of cover available under this policy. For full details of the cover provided, including any exclusions or conditions that may apply, please refer to the policy wording.

Your policy schedule will show the cover and options you have chosen.

Type of cover	Short description of cover
Section 1 Property Damage	Loss, damage or destruction to buildings, contents and stock and portable contents and Optional Covers for flood, internal and external glass, and equipment breakdown, up to the limits you select.
Section 2 Loss of Business Income	Loss of insurable gross profit and increase in cost of working caused by loss or damage to property insured under the Property or Crime sections, up to the limits you select.

Type of cover	Short description of cover
Section 3 Crime	Loss or damage resulting from theft of property, money belonging to you and connected with your business, and employee dishonesty, up to the limits you select.
Section 4 Public & Products Liability	All sums you become legally liable to pay as compensation in respect of personal injury, property damage and advertising liability that are caused by an occurrence in connection with your business, up to the limits you select.
Section 5 Management Liability	Liability for wrongful acts of directors and officers, loss from a claim for employment practices breach, and professional fees incurred in connection with a tax audit, up to the limits you select. This section (other than Tax Audit) operates on a "claims made and notified" basis. This means that this section covers you for claims made against you and notified to SafetyCulture Care or the insurer during the policy period.

Each of the sections listed in the table above is subject to specific definitions, the basis of cover and specific exclusions. In addition, there are general exclusions and conditions that apply to all sections of the policy.

Ensuring the limits are sufficient for your business needs

To ensure that the amount covered by the policy is adequate in the event of a claim, you should ensure that the limits you select when applying for the policy are sufficient. You should also take care to amend the limit when your situation or business needs change.

For example, if you have selected the Property Damage cover option and the policy covers your building or contents or both for reinstatement and replacement costs, the limit that you select for your building and contents when applying for the policy should represent the full replacement value at new costs. If your selected limit is not the appropriate amount, losses may not be paid in full. It is your responsibility to ensure adequacy of limits. You should reassess these limits during the currency of the policy and prior to renewal each year and notify SafetyCulture Care of any relevant changes as soon as possible.

The cost of this policy

Your premium is calculated on the basis of information SafetyCulture Care receives from you when you apply for the policy. Some factors impacting premiums include:

- the type of business you operate;
- your location;
- the types of cover you select;
- the amounts you select as limits;
- your claims history;
- if you elect to have a higher or lower deductible (where this is an option); and
- any remuneration paid to SafetyCulture Care and brokers.

Your premium also includes amounts that take into account SafetyCulture Care's and the insurer's obligations to pay any relevant compulsory government charges, taxes or levies in relation to your policy. These amounts will be itemised separately on your schedule as part of the total premium payable.

We have determined that the policy (or part of it) is a policy to which the Terrorism and Cyclone Insurance Act 2003 applies. We may elect to reinsure part or all of our liability under the Act with the Commonwealth Government reinsurer, the Australian Reinsurance Pool Corporation (ARPC). As a consequence, we may be required to pay a premium to ARPC and that amount (together with the cost of that part of the cover provided by us and administrative costs associated with the legislation) is reflected in the premium charged to you. As with any other part of the premium, it is subject to government taxes and charges such as GST, Stamp Duty and where applicable, Fire Service Levy.

General Insurance Code of Practice

The General Insurance Code of Practice was developed by the Insurance Council of Australia to further raise standards of practice and service across the insurance industry. The Code Governance Committee (CGC) is an independent body that monitors and enforces insurers' compliance with the Code.

You can obtain more information on the Code of Practice and how it assists you by contacting SafetyCulture Care on 1300 164 884.

For more information on the Code Governance Committee (CGC) go to codeofpractice.com.au.

Your duty of disclosure

Before you enter into a contract of insurance with us, you have a duty of disclosure under the Insurance Contracts Act 1984 to disclose to us every matter that you know, or a reasonable person in the circumstances could be expected to know, that is relevant to our decision to insure you and if so on what terms. You need to disclose that information to SafetyCulture Care, which acts on our behalf. As part of complying with your duty of disclosure, if SafetyCulture Care asks questions of you that are relevant to our decision to insure you and on what terms, you must tell SafetyCulture Care anything that you know and that a reasonable person in the circumstances would include in their answer.

You have the same duty to disclose those matters to us before you renew, extend, vary or reinstate the contract. This duty of disclosure applies until the contract is entered into (or renewed, extended, varied or reinstated as applicable).

Your duty, however, does not require you to disclose any matter:

- that diminishes the risk to be undertaken by us;
- that is of common knowledge;
- that we know or, in the ordinary course of our business, ought to know; or
- as to which compliance with your duty is waived by us.

If you do not tell us anything you are required to, we may be entitled to cancel your policy contract or reduce the amount we pay you if you make a claim, or both. If your failure to disclose information to us is fraudulent, we may refuse to pay a claim and treat the policy contract as if it never existed.

Privacy

SafetyCulture Care and Allianz give priority to protecting the privacy of your personal information, by handling personal information in a responsible manner and in accordance with the Privacy Act 1988 (Cth).

How we collect your personal information

SafetyCulture Care and Allianz usually collect your personal information from you or your agents. SafetyCulture Care and Allianz may also collect personal information from its agents and service providers; insurers and insurance reference bureaus; people who are involved in a claim or assist them in investigating or processing claims, including third parties claiming under your Policy, witnesses and medical practitioners; third parties who may be arranging insurance cover for a group that you are a part of; law enforcement, dispute resolution, statutory and regulatory bodies; marketing lists and industry databases; and publicly available sources.

Why SafetyCulture Care and Allianz collect your personal information

SafetyCulture Care and Allianz collect your personal information to enable provision of products and services, including to process and settle claims; make offers of products and services provided by SafetyCulture Care or Allianz and their related companies, brokers, intermediaries, business partners and others that SafetyCulture Care or Allianz have an association with that may interest you; and conduct market or customer research to determine those products or services that may suit you.

You can choose not to receive product or service offerings from SafetyCulture Care (including product or service offerings from us on behalf of our brokers, intermediaries and/or our business partners) or our related companies by calling SafetyCulture Care on 1300 164 884, EST 9am to 5pm Monday to Friday. If you do not provide your personal information required by SafetyCulture Care, they may not be able to provide you with their services, including settlement of claims.

If you do not want to receive product or service offerings from Allianz (including product or service offerings from us on behalf of our brokers, intermediaries and/or our business partners), contact Allianz by phoning 13 1000 or through the Allianz website allianz.com.au.

Who SafetyCulture Care and Allianz disclose your personal information to

SafetyCulture Care and Allianz may disclose your personal information to others with whom they have business arrangements for the purposes listed in the paragraph above or to enable them to offer their products and services to you. These parties may include service providers, insurers, intermediaries, reinsurers, insurance reference bureaus, related companies, advisers, persons involved in claims, external claims data collectors and verifiers, parties that SafetyCulture Care or Allianz has an insurance scheme in place with under which you purchased your Policy (such as an industry association). Disclosure may also be made to government, law enforcement, dispute resolution, statutory or regulatory bodies, or as required by law.

Disclosure overseas

Your personal information may be disclosed to SafetyCulture Care and Allianz related entities, business partners, insurers, reinsurers and service providers that may be located in Australia or overseas. The countries this information may be disclosed to will vary from time to time, but may include Germany, United Kingdom, United States of America, Netherlands, Philippines, India, and other countries where SafetyCulture Care and Allianz or their related entities have a presence or engages subcontractors.

SafetyCulture Care and Allianz regularly review the security of their systems used for sending personal information overseas. Any information disclosed may only be used for the purposes of collection detailed above and system administration.

When personal information is shared overseas, there is a possibility whomever receives the information may be required to disclose it under a foreign law.

Access to your personal information and complaints

You may ask for access to the personal information SafetyCulture Care holds about you and seek correction by calling 1300 164 884, EST 9am to 5pm Monday to Friday.

The Privacy Policies of SafetyCulture Care and Allianz contain details about how you may make a complaint about a breach of the privacy principles contained in the Privacy Act 1988 (Cth) and how SafetyCulture Care and Allianz deal with complaints. SafetyCulture Care's Privacy Policy is available at care.safetyculture.com/privacy/. The Allianz Privacy Policy is available at allianz.com.au.

Telephone call recording

SafetyCulture Care and Allianz may record incoming and/or outgoing telephone calls for claims, training or verification purposes. Where SafetyCulture Care or Allianz has recorded a telephone call, they can provide you with a copy at your request, where it is reasonable to do so.

Your consent

By providing SafetyCulture Care or Allianz with personal information, you and any other person you provide personal information for consent to these uses and disclosures until you tell SafetyCulture Care or Allianz otherwise. If you wish to withdraw your consent, including for such things as receiving information on products and offers by SafetyCulture Care or Allianz, its related entities or persons we have an association with, please contact SafetyCulture Care or Allianz as appropriate.

Complaints Procedure

You can make a complaint about any aspect of your relationship with us or SafetyCulture Care, including your Policy or claim, service, staff or handling of a complaint, or the service of any party acting for or appointed by us or SafetyCulture Care

If you wish to make a complaint please contact SafetyCulture Care in the first instance. SafetyCulture Care will attempt to resolve your complaint in accordance with its Internal Dispute Resolution ("IDR") procedure, which complies with Code and ASIC guidelines.

If they cannot resolve your complaint to your satisfaction, SafetyCulture Care will escalate your matter to us.

If you are not happy with our response, you may refer your complaint to AFCA. If your complaint is not resolved to your satisfaction within 30 calendar days of the date on which you first made the complaint, AFCA may review it, subject to its Rules.

Your complaint must be referred to AFCA within 2 years of the final decision, unless AFCA considers special circumstances to apply.

SafetyCulture Care's contact details are:

Email: complaints.care@safetyculture.com
Phone: 1300 164 884
Post: PO Box 304, Surry Hills, NSW 2010

AFCA's contact details are:

The Australian Financial Complaints Authority

Online: afca.org.au
Phone: 1800 931 678
Email: info@afca.org.au
Mail: GPO Box 3 Melbourne VIC 3001

This service is free of charge.

Financial Claims Scheme

This Policy is protected under the Financial Claims Scheme (FCS), which protects certain insureds and claimants in the unlikely event the insurers become insolvent. You may be entitled to access the FCS if you have a valid claim. For information about eligibility criteria, visit: apra.gov.au/financial-claims-scheme-general-insurers.

Policy Wording

This Policy is issued by SafetyCulture Care and underwritten by the Insurer stated in the Schedule.

Our Agreement

Your Policy is an agreement between You and Us, made up of:

- this Policy Wording document.
- Your Policy Schedule, which sets out the cover You have chosen, the period of cover and other terms which relate specifically to the cover provided to You.

We agree to insure You subject to the payment of the premium (and all relevant taxes and statutory charges) and the terms and conditions of the Policy. This Policy Wording document includes:

- conditions and exclusions which apply to specific covers or Sections in the Policy;
- general exclusions, which apply to any claim You make under the Policy;
- general conditions, which set out Your responsibilities under this Policy; and
- claims conditions, which set out Our rights and Your responsibilities when You make a claim.

Other terms, which set out how this Policy operates, may be contained in Your Policy Schedule.

There are certain words and expressions in this Policy document that have particular meanings and such defined terms are capitalised. The General Definitions Section of this document contains such words and expressions. They are used to help You in understanding how the Policy operates.

In some Sections of the Policy there are additional defined terms that apply only to those Sections. Those particular defined terms can be found in the relevant Policy Section.

Headings are provided for reference only and do not form part of Your Policy for interpretation purposes.

General Definitions

Accidental means unexpected and unintended from Your standpoint.

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

- involves violence or threat of 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.

Aircraft means any vessel, craft or device intended to fly or move in or through the air, other than model aircraft or unmanned inflatable balloons used for advertising purposes.

Building means a non-portable structure having a roof and walls, which completely enclose the space beneath the roof and all other structures in or on the Location including infrastructure associated with all utility services. Building does not include Your residential home or any Contents.

Business means Your business or occupation as described in the Schedule.

Catastrophe Event means a significant destructive natural Event, in the area in which the Location is situated, which either the Insurance Council of Australia has declared to be an 'insurance catastrophe event' or, as a consequence of the natural event, the relevant government authority has declared a state of emergency.

Computer Attack means any malicious direction of network traffic, introduction of malicious computer code, or other malicious attack directed at, occurring within, or utilising the Computer System or network of whatsoever nature.

Computer System means any computer, hardware, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud storage and any similar system or any configuration of the above used by You for the purpose of the Business and including any associated input, output, Electronic Data storage device, networking equipment or computer back-up facility.

Consequential Loss means loss of use, earning capacity, reputation, enjoyment, profits or depreciation, and any other consequential financial loss of any kind including an increase in costs and expenses caused directly or indirectly or resulting from:

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

Contamination means the discharge, dispersal, release, seepage, escape or migration of any type of Pollutant/Pollution.

Contents means office furniture and furnishings, documents, tools of trade, communications systems, and all other plant, equipment and accessories used by You for the purpose of the Business and which belong to You, for which You have accepted responsibility. If You are a tenant of premises at a Location used for the purposes of the Business, Contents also includes:

- any of Your landlord's fixtures and fittings, window dressings, floor coverings and Glass which You have responsibility for under Your written tenancy agreement; and
- landlord's improvements to premises at the Location which are provided for Your use for which You are responsible to repair or replace if Damaged.

Contents in no case will include:

- Buildings;
- Stock;
- Directors and Employees' Personal Property;
- Money;
- motor vehicles, motorcycles and machinery while registered or licensed to travel on a public road, Aircraft, hovercraft, caravans, trailers and watercraft, but not if any of these are Stock covered under Section 1 Property Damage and are Damaged whilst at Your Location;

- animals other than where they are covered as Stock under Section 1 Property Damage or which are decorative fish;
- plants (other than potted plants) shrubs, lawns, growing crops, pastures and standing timber.

Cyber War & Terrorism Event means any Act of Terrorism or Cyberterrorism, regardless of any other cause or event contributing concurrently or in any other sequence to the loss or Damage.

Cyberterrorism means any premeditated politically, religiously, or ideologically (or similar objective) motivated attack or disruptive activity, or the threat thereof, by a group or individual against a Computer System or network of whatsoever nature or to intimidate any person in furtherance of such objectives.

Damage means physical loss, damage or destruction.

Debris means the residue of Damaged Property and liquids and/or chemicals used to extinguish, prevent or suppress Damage or in preventing imminent Damage to Property.

Declared Value means:

- For Property, the values of Property (other than Money) at each Location declared by You to Us when You made Your application for this insurance and calculated in accordance with the definition of Reinstatement Value at the beginning of the Policy Period. You are not required to include in Your Declared Value any amounts for goods sold but not delivered, or for the value of Personal Property.
- For Insurable Gross Profit, the amount You insure for Insurable Gross Profit.

Deductible means the first amount of each claim or series of claims arising from any one Event, which You must contribute to the settlement of a claim. For Section 2 Loss of Business Income, deductibles may be expressed in dollar terms or as a period of time.

Defence Costs means reasonable fees, costs and expenses (other than regular wages, salaries, fees or commissions payable to any Director, officer or Employee, or any other internal expenses) reasonably incurred by You or on Your behalf of in the investigation, defence, settlement or appeal of any claim under Section 4 Public and Products Liability or Section 5 Management Liability.

Director means any natural person who is, was or becomes during the Policy Period a director of Your Business as defined in the Corporations Act 2001 (Cth), or the equivalent legislation in any other jurisdiction, including for the avoidance of doubt, a de facto director or a shadow director of Your Business.

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

Electronic Data Media means the physical components or materials, whether magnetic or optical, on which Electronic Data or computer programs are recorded.

Electronic Equipment means any computer equipment, electronic machines, telecommunications transmission and receiving equipment including associated wiring.

Employee means any person under a contract of service or apprenticeship with You, and which You have the right at all times to instruct and direct in the performance of work for You.

Event means one incident or a series of incidents which is in consequence of, or attributable to, one source or original cause.

Family Member means only those members of Your family who live permanently with You, including Your domestic partner.

Flood means the covering of normally dry land by water that has escaped or been released from the normal confines of any lake or any river, creek or other natural watercourse, whether or not altered or modified, or of any reservoir, canal or dam.

Geographical Limit means only the Commonwealth of Australia, and elsewhere in the world in respect of:

- Your exported Products other than any Products sent to North America with Your knowledge;
- Business visits by Your directors and/or Employees who are normally resident in Australia and who do not perform or supervise manual work in North America; and
- loss or Damage to Portable Contents.

Glass means:

- fixed glass forming part of, or fixed to the exterior of the Building, including glass doors and glass in fixed signs, and
- fixed internal glass including in furniture, counters, shelving and showcases, mirrors (whether fixed or not), washbasins, sinks, toilet pans and cisterns, contained within Your Building.

but Glass does not mean Stock.

Incidental Contract means:

- any written rental or hiring agreement for real estate or personal property. However, cover for any Incidental Contract shall not apply to any condition contained in an agreement that requires You to insure such property;
- any written contract with any entity responsible for the supply of electricity, fuel, gas, natural gas, air, steam, water, sewerage reticulation control systems, waste disposal facilities, communication services or other essential services, except those contracts in connection with work performed by You or on Your behalf for such authorities or entities;
- any written contract with any railway authority for the loading, unloading and/or transport of products, including contracts relating to the operation of railway sidings.

Indemnity Value means the cost necessary to Reinstate or Replace Damaged Property to a condition substantially the same as, but not better or more extensive than its condition at the time of the Damage.

Insured, You, Yours means the persons, companies, and other entities specified in the Schedule as Insureds, and any other party deemed to be an Insured pursuant to the terms and conditions of this Policy including all subsidiary companies, organisations and entities domiciled in Australia in which the the persons, companies, and other entities specified in the Schedule have a controlling interest but only to the extent that each of them is engaged in carrying on the Business or activities which are substantially of the same kind or related to the Business. For the purpose of this definition, a controlling interest shall, in the case of a company, mean the beneficial ownership of shares carrying more than 50% of votes capable of being cast.

For the purposes of Employee Dishonesty cover provided under Section 3 Crime, Insured includes any welfare, social or sporting club which has been created by You for the benefit of Employees and their families.

Insurer means the company or companies that underwrites the insurance risks of this Policy.

Limit means:

- in relation to the cover provided under Section 1 Property Damage, Section 2 Loss of Business Income and Section 3 Crime, the amount specified in the Schedule applicable to each of Sections 1, 2 or 3 being

the maximum up to which We may be liable to pay to You for loss or Damage suffered by You which is covered under any one or more of those Sections;

- in relation to Section 4 Public and Products Liability and Section 5 Management Liability, the amount specified in the Schedule applicable to each of Sections 4 and 5 and which We may be liable to pay on Your behalf for liability which You have in respect of any Claim made against You under either of those Sections.

Location means the address(es) listed in the Schedule from which You operate Your Business, including Buildings and land within its legal boundaries, not being Your residential home.

Machine, Machinery means any apparatus whether or not functioning independently or as any component part of a collection of apparatus which generates, contains, controls, transmits, receives, transforms or utilises any form of energy or power.

Money means cash on hand and in bank accounts, current coin, bank notes, currency notes, cheques, credit card sales vouchers, postal orders, money orders, negotiable and non-negotiable securities and other like documents of value, all belonging to You or for which You are legally responsible or have assumed a responsibility to insure. Money does not include collectable items (for example coin or stamp collections), anticipated revenue or any form of crypto-currency.

North America means:

- the United States of America and the Dominion of Canada;
- any state, territory or protectorate incorporated in, or administered by, the United States of America or the Dominion of Canada; and
- any country or territory subject to the laws of the United States of America or the Dominion of Canada.

Obsolete Stock means Stock which can no longer be sold for its full value, for example Stock which is out of fashion, superseded computers or perishable goods beyond their use by date.

Personal Property means personal items designed to be worn or carried but not cheques, Money, credit cards, negotiable instruments, or firearms.

Policy means this Policy Wording, any amendments to it and the Schedule.

Policy Period means the period specified in the Schedule.

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

Portable Contents means tools of trade, communications systems, and all other plant, equipment and accessories belonging to You which may be carried with You in the course of the conduct of Your Business and which are referred to in the Schedule as specified items or unspecified items. Portable Contents includes carrying cases and normal accessories. Portable Contents does not include Money, documents, Personal Property or Valuables.

Product means anything, after it has ceased to be in Your possession or under Your control, that was or is deemed to have been sold, supplied, designed, created, developed, assembled, manufactured, grown, extracted, produced, processed, imported, exported, constructed, erected, repaired, serviced, renovated, treated, distributed, handled, installed, or disposed of by You or on Your behalf (including Your predecessors in Your Business), including labels, packaging or any container thereof the design, specification or formula of the products and directions, instructions or advice given or omitted to be given in connection with such products and anything which by law or otherwise You are deemed to have manufactured in the course of Your Business (including discontinued products). Product does not include:

- food and beverages supplied by You or on Your behalf primarily to Your Employees as a staff benefit;
- any property rented to or located for the use of others, and not sold by You.

Property means commercial Buildings, Contents and/or Stock owned by You and used in connection with Your Business or for which You are responsible or have assumed responsibility to insure prior to an Event.

Reinstate/Reinstatement means the restoration, repair or rebuilding of Property to a condition substantially the same as, but not better or more extensive than its condition when new.

Reinstatement Value means the cost necessary to Reinstate Damaged Property.

Replace/Replacement means the cost necessary to replace, repair or rebuild the Property to a condition substantially the same as but not better or more extensive than the insured Property's condition when new.

Schedule means the schedule issued for this Policy (including for new policies, renewal policies, mid-term endorsements and cancellations). In the event of a claim it is the Schedule that applied at the time of loss.

Seasonal Increase Period means any period of time during the Policy Period that has turnover, sales or levels of Stock at least 20% higher than the average turnover, sales or level of Stock at other times during the Policy Period.

Social Engineering Fraud means any act of a person to deceive or mislead an Employee into transferring, paying or delivering money, valuables and/or other tangible or intangible property, or changing any bank account details held by You, by impersonating or representing that they are another person who has authority to provide such instructions, but who is not duly authorised to give those instructions.

Stock means products and materials You intend to sell, customer's goods in Your care, custody or control, raw or consumable materials or products used by You in the Business and Your Products while being made, repaired or altered. Stock includes items of Property at Your Location under a 'sell or return' consignment agreement. Stock does not include motor vehicles, motor cycles, or animals other than stock of a pet shop or restaurant. For the purposes of Section 3 Crime stock does not include tobacco and tobacco products, vaping or shisha products, or liquor unless shown as covered on Your Schedule.

Theft means the dishonest taking of Your Property by a third party, with the intention of permanently depriving You of it, and includes any attempt at theft.

Valuables means jewellery, bullion, antiques, curiosities, works of art, or collection of items and other articles containing gold, silver, precious metals or stones. Valuables does not mean Stock.

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

We, Us or Our means the Insurer(s) specified in the Schedule.

General Exclusions

The following exclusions apply to all cover Sections of the Policy unless stated otherwise.

In some Sections of the Policy there are additional exclusions that apply only to those Sections (as well as these general exclusions).

This Policy does not provide cover for any of the following:

1. Communicable disease

Any liability under this Policy in respect of any claims or costs arising out of any actual or alleged loss, liability, Damage, compensation, loss of use, loss of profit, injury, sickness, disease, death, medical payment, defence cost,

inquest cost, accident enquiry, cost, expense or any other amount incurred either directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease or the actual or alleged transmission of a Communicable Disease.

As used herein, Communicable Disease shall mean:

- a. any disease infectious in humans forming part of the Listed Human Diseases under, or is the subject of a Human Biosecurity Emergency under, the Biosecurity Act 2015 (Cth) and any of its subsequent amendments or any similar such listing or declarations of diseases under any subsequent statute that repeals and replaces the Biosecurity Act 2015 (Cth) in whole or part, whether or not such declaration has taken place before or after inception of this Policy;
- b. any disease infectious in humans forming part of the Quarantinable Infectious Diseases as defined under the Health Act 1956 (NZ) and any of its subsequent amendments or any similar such listing of diseases under any subsequent statute that repeals and replaces the Health Act 1956 (NZ) in whole or part, whether or not such declaration has taken place before or after inception of this Policy; or
- c. any pandemic or epidemic, as declared as such by the World Health Organisation.

2. Consequential loss

Except as specifically provided otherwise, the Policy does not cover:

- a. Consequential Loss of any kind;
- b. legal liability to pay compensation or damages; or
- c. Damage caused by, contributed to by or arising from faults or defects known to You or any Employee whose knowledge in law would be deemed to be Yours and not disclosed to Us at the time the Policy was entered into.

3. Electronic data

This Electronic Data exclusion is applicable to the following Sections of the Policy:

- Property Damage (other than Optional Cover 3 Equipment Breakdown);
 - Loss of Business Income;
 - Crime; and
 - Management Liability, Part C Tax Audit.
- a. These Sections do not insure any loss or Damage of whatsoever kind directly or indirectly caused by, contributed to by or arising from:
 - i. total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data;
 - ii. error in creating, amending, entering, deleting or using Electronic Data; or
 - iii. 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.
 - b. However, in the event that any of the matters described in the above paragraph is caused by a peril listed

below (being a peril insured by the relevant Sections but for this exclusion) the relevant Sections, subject to all their provisions, will insure:

- i. physical loss of or Damage or destruction to Property insured directly caused by such listed peril; and/or
- ii. Consequential Loss insured by the Policy.

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

- c. For the purposes of the Basis of Settlement provisions in these Sections, Computer Systems records include Electronic Data. Any terrorism exclusion in these Sections or any endorsement thereto prevails over this exclusion.

4. Cyber & electronic data exclusion

Notwithstanding any provision to the contrary in the Policy or any endorsement thereto, this Policy does not cover:

- a. Damage, loss, destruction, distortion, erasure, corruption, alteration, Theft or other dishonest, criminal, fraudulent or unauthorised manipulation of Electronic Data from any cause whatsoever (including, but not limited to Computer Attack and/or a Cyber War & Terrorism Event) or loss of use, reduction in functionality, loss, cost expense and/or fee of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss or Damage;
- b. error in creating, amending, entering, deleting or using Electronic Data; or
- c. total or partial inability or failure to receive, send, access or use Electronic Data for any time or at all, from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur.

However, but for this General Exclusion, in the event that any Damage results from any of the matters described in the above paragraph (except for a Cyber War & Terrorism Event), or Theft consequent upon forcible and violent entry or felonious concealment upon premises committed by Your Employee, the Policy, subject to all its terms, provisions, conditions, exclusions and limitations, will cover direct physical Damage and/or Consequential Loss arising therefrom occurring during the *Policy* Period to Property insured. Any terrorism exclusion in this Policy or any endorsement thereto prevails over this endorsement.

5. Geographical limitations

Loss or Damage to Your Property that is outside the Geographical Limit, except as stated in Section 3 Crime and Section 4 Public & Products Liability or shown on Your Policy Schedule.

6. Intentional acts.

Loss, destruction, liability or Damage directly or indirectly caused by, contributed to by or arising from any:

- a. dishonest, fraudulent, criminal or malicious act;
- b. wilful breach of any statute, contract or duty; or

- c. conduct intended to cause loss or Damage or with reckless disregard for the consequences, carried out by You or any person acting with Your knowledge, consent or connivance.

7. Known defects

Loss or Damage caused by faults or defects which You, or any Employee whose actions You are liable for, knew about and did not disclose to Us prior to the commencement of the Policy Period.

8. War, terrorism, confiscation & Nuclear

We will not be liable for:

- a. any loss, Damage or liability directly or indirectly caused or occasioned by, in any way connected with or happening through or in consequence of or arising from any war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or Damage to property by or under the order of any government or public or local authority
- b. any death, injury, illness, loss or Damage directly or indirectly caused or contributed by, in any way connected with or arising or resulting from:
 - i. any Act of Terrorism, regardless of any other cause or event contributing concurrently or in any other sequence to the death, injury, illness, loss, damage, cost or expense, or
 - ii. any action in controlling, preventing, suppressing, retaliating against or responding to any Act of Terrorism. However, this exclusion will not apply to Section 3 Crime.
- c. any loss, Damage or liability directly or indirectly caused by or arising from confiscation or nationalisation, or requisition or destruction of or Damage to property by or under the orders of any government or public or local authority.
- d. any loss, Damage or liability directly or indirectly caused by, in any way connected with, contributed to by or arising from:
 - i. ionising radiation from or Contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
 - ii. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
 - iii. any weapon or other device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

9. Sanctions

Regardless of anything contained in this Policy to the contrary, We shall not be liable to provide any cover or benefit or pay any claim where the provision of cover or benefit or payment of claim would constitute a breach to any trade or economic sanction, embargo, prohibition or restriction imposed by any of the following: United Nations, United States of America, Australia, European Union, United Kingdom, or New Zealand, or any other applicable national trade or economic sanctions, laws or regulations. This clause shall apply where such geographical location, provision of goods, services or other reasons shall contravene such sanction, embargo, prohibition or restriction.

10. Aggravated, punitive or exemplary damages, fines or penalties

Your Policy does not cover any fines, penalties, exemplary, punitive, liquidated or aggravated damages and/or

additional damages resulting from the statutory multiplication of damages otherwise awarded.

11. Unoccupied buildings

The Policy does not provide any cover at a Location after the Building has been unoccupied for more than 60 consecutive days.

Unoccupied means left vacant by You or any other authorised person whether furniture or other contents remain or not.

This exclusion does not apply to loss or Damage to Property caused by:

- a. lightning, earthquake and subterranean fire; or
- b. impact by any road vehicle or their loads, animals, trees or branches, meteorite, Aircraft or other aerial devices or articles dropped from them, sonic boom or space debris, falling communication masts, towers, antennae or dishes, falling buildings or structures or parts thereof which do not belong to You.

Provided that:

- i. cover will apply at an unoccupied Building if We have specifically agreed to this in writing;
- ii. You agree to pay Us any additional premium that We may require; and
- iii. cover will resume when that Building is again occupied by authorised persons.

12. Computer technology

The Policy does not cover any Damage to any appliance, machinery, equipment or other property which is a computer or which contains or comprises any computer technology (including computer chip or control logic) and which fails to perform or function in the precise manner for which it was designed for any reason arising from the performance or functionality of such computer technology (including computer chip or control logic).

General Conditions

The following Conditions apply to all cover Sections of the Policy unless stated otherwise.

In some Sections of the Policy there are additional Conditions that apply only to those Sections.

Policy Conditions

1. Reasonable care

We may refuse to pay a claim which may otherwise be covered under this Policy if You do not:

- a. take all reasonable care to minimise loss, Damage and liability, and to prevent personal injury or Damage to Your Property and the property of others, including Your compliance with all laws and regulations that apply to Your Business;
- b. take all reasonable steps at Your expense, to trace, recall or modify any Products which You know or have reason to believe may be defective.

2. Where 'prior consent' is required from us

There are certain benefits under the Policy which require You to obtain Our consent before incurring costs. In each case where prior consent is required, You must obtain it from Us before incurring such costs unless the Policy states otherwise. We will not unreasonably withhold or delay Our consent.

If You do not obtain Our prior consent where required, We may be able to reduce the claim payable by an amount that fairly represents the amount by which Our interests were prejudiced by Your failure to obtain Our prior consent.

3. Payment of reasonable amounts of any costs, charges, expenses and fees under this Policy

We will cover a range of different costs, charges and fees ("costs") under this Policy, and unless We state otherwise, We will provide cover for the 'reasonable' amount of such costs.

Reasonable amount means an amount that is not excessive and to which You have given reasonable consideration to the potential courses of action available prior to incurring the amount and the course of action You have taken was reasonable in that context.

Where consent is required before incurring such costs and You seek Our consent, You can advise Us of the matters You have had regard for when considering the costs You propose to incur and discuss the circumstances with Us. If the amounts are reasonable in the circumstances, We will provide Our consent.

4. Paying your premium

We are entitled to deduct from any amount We pay You under a claim any premium that remains unpaid at the time of settlement.

You need to pay Your premium on time to ensure You are covered. If You don't pay the premium We may be entitled to reduce or refuse to pay a claim and cancel the Policy.

5. Accountancy records

You must provide Us with all Business records and other documents that We reasonably require to properly investigate or verify claims.

6. Alteration to risk

If there are any changes in the nature of Your Business or other changes affecting Your Location during the Policy Period that may result in an increased risk of loss or Damage to Your Property, or Your liability to third parties, You must tell Us as soon as reasonably possible after You become aware of such changes and provide any further information We may reasonably require.

If We agree to continue Your cover, We will let You know in writing, and You must pay Us any extra premium We require.

If You do not tell Us about the changes, it may result in Us refusing to pay a claim, reducing Our liability under the Policy to the extent We have been prejudiced and/or cancelling the Policy (where permitted by law), except where We have specifically allowed changes without notification in a particular Section of the Policy.

7. Acquisition of companies

If You acquire any company or other legal entity within Australia during the Policy Period for the purposes of Your Business, We will cover You for Property and liability of the acquired company or entity, provided that:

- a. the business of the acquired company or entity is a similar business to Your Business;
- b. You advise Us of such acquisition within 30 days of it happening;
- c. You accept Our terms and pay Us any additional premium We may require.

We will provide cover for such acquired company or entity, subject to the terms, conditions and limits applicable

to this Policy.

8. Deductible

The Limits and sub-limits which We have agreed to pay under the Policy, are subject to You paying a Deductible in the event of a claim which is specified in the Schedule.

If more than one Deductible can be applied to one Occurrence, You will only need to pay the highest Deductible.

Depending on the type of claim, You may need to pay the Deductible to Us when the claim is settled, or We may deduct it from the amount We pay You.

The Limit and sub-limits of liability shall apply in addition to, and shall not be reduced by, the amount of any relevant Deductible.

For all loss or Damage resulting from earthquake, subterranean fire, volcanic eruption, bushfire, grass fire, scrub fire, Flood, storm, wind, hail or rainwater, that is continuous, results from the same general conditions, and which occurs within a 72 hour period from the time of the first Damage, only one Deductible will apply.

All loss or Damage resulting from earthquake occurring during each period of 72 consecutive hours will be considered as one Event, whether the earthquake is continuous or sporadic in its sweep and/or scope and the Damage was due to the same seismological conditions.

9. GST notice

This Policy has a GST provision in relation to premium and Our payment to You for claims. It may have an impact on how You determine the amount of insurance You need. Please read it carefully. Seek professional advice if You have any queries about GST and Your insurance.

Limits:

All monetary Limits in this Policy may be adjusted for GST in some circumstances (see below).

Claims settlements - where We agree to pay:

Where We agree to pay a claim and calculate the amount We will pay You, We will consider the following:

Acquisition of goods, services or repairs:

Where You are liable to pay an amount for GST in respect of an acquisition relevant to Your claim (such as services to repair a damaged item insured under the Policy) We will pay for the GST amount.

We will pay the GST amount in addition to the Limit or sub-limits shown in the Policy or in the current Schedule (unless We state GST is included in the Limit).

If Your Limit is not sufficient to cover Your loss, We will only pay the GST amount that relates to Our settlement of Your claim.

We will reduce the GST amount We pay for by the amount of any input tax credits to which You are or would be entitled.

Payment as compensation:

Where We make a payment under this Policy as compensation instead of payment for a relevant acquisition, We will reduce the amount of the payment by the amount of any input tax credit that You would have been entitled to had the payment been applied to a relevant acquisition.

Where the Policy insures loss of Business Income, We will (where relevant) pay You on Your claim by reference to the GST exclusive amount of any supply made by Your Business that is relevant to Your claim.

Disclosure – input tax credit entitlement:

If You register, or are registered, for GST You are required to tell Us Your entitlement to an input tax credit on Your premium. If You fail to disclose or understate Your entitlement, You may be liable for GST on a claim We may pay. This Policy does not cover You for this GST liability, or for any fine, penalty or charge for which You may be liable.

10. Jurisdiction and service of suit

We agree that:

- a. Your Policy is governed by the law of the Australian state or territory where Your insured Property is usually kept or is located. Any dispute relating to this Policy shall be submitted to the exclusive jurisdiction of an Australian Court within the State or Territory in which the Policy was issued.
- b. any summons notice or process to be served upon Us may be served upon:

Safety Culture Care Australia Pty Ltd
PO Box 304
Surry Hills, NSW 2010.
- c. if a suit is instituted against Us, We will abide by the final decision, after all appeals, of the relevant Australian Court.

11. Non-imputation

If more than one Insured is covered under this Policy, We agree that:

- a. each Insured shall be regarded as having made its own proposal for this insurance;
- b. any statement or representation made in any proposal shall be deemed to be a separate declaration, statement or representation by each Insured; and
- c. any knowledge possessed by one Insured shall not be imputed to any other Insured.

12. Other persons or organisations

- a. Any other party having a legal or financial interest in Your Property is automatically covered as an additional Insured under this Policy to the limited extent of their insurable interest only, provided that interest is noted in Your Business records. You will need to tell Us the nature and extent of that interest if there is a claim which is covered under the Policy. All parties having such an interest are subject to all of the terms and conditions of this Policy.
- b. If there are other parties covered under this Policy, any unintentional error made by any one party will not prejudice the rights of any other party provided that the party which did not make the error tells Us in writing, within a reasonable time after becoming aware of the error.

It is only necessary for You to tell Us about the error if the risk of loss or Damage has increased as a result of the identification of the error. If the risk has increased, We may require an additional premium.

- c. No interest in this Policy can be transferred without Our written consent.

13. Waiver of subrogation rights

Regardless of Our rights of recovery under the Claims Procedures and Conditions, We will waive any rights and

remedies or relief to which We are or may become entitled by subrogation against:

- a. any other party (including Directors, officers and Employees) who is insured under this Policy.
- b. any entity (including its Directors, officers and Employees) owned or controlled by any Insured, or against any co-owner of the Property.

14. Cover under more than one Section

If loss, Damage or liability is covered under more than one Section of the Policy, We will only pay under one Section of the Policy for the same Event or Occurrence.

15. Release of other parties

You may without prejudicing Your rights under the Policy enter into an agreement:

- a. with any statutory, governmental or municipal authority to release such company or authority from liability if the agreement requires You to do so;
- b. for storage of goods or merchandise if the terms of the contract include a disclaimer clause;
- c. for the lease or hiring of any property which contains a clause which limits Your rights against the party You are hiring or leasing the property from.

You may without prejudicing Your rights under Section 1 Property Damage enter into an agreement with any railway or other transportation company to release such company from liability if the agreement requires You to do so.

16. Reinstatement of limit

If We pay a claim for Damage during the Policy Period under:

Section 1 Property Damage; or

Section 2 Loss of Business Income; or

Section 3 Crime sub-sections 1 or 2,

We will reinstate the amount necessary to bring the Limit for the relevant Section back to the original amount shown in the Schedule provided You pay any premium We require for the reinstatement.

We will not reinstate the Limit for Section 1 Property Damage or Section 2 Loss of Business Income if We have paid a total loss under either of these Sections.

We will not reinstate the Limit for Employee Dishonesty.

17. Sprinkler installations

Where Building(s) at Your Location are protected or are required by law, the Building Code of Australia or National Construction Code to be protected by an approved installation of automatic sprinklers, automatic external alarm signal and automatic alarm signal connected with a fire brigade station, in or on the Location, You shall use reasonable care to ensure that the same are maintained in good working order.

You undertake that provision will be made for the regular maintenance and testing of the installation in accordance with Australian Standards by the installing engineers or qualified fire protection contractor. Notice of all alterations and additions to the automatic sprinkler installation shall be given by You to Us as soon as reasonably practicable.

18. Reasonable care and compliance

You shall take all reasonable care to prevent loss, Damage or legal liability, maintain Your Property in sound condition and, in particular, to minimise or avoid Theft, loss, Damage or liability.

In addition, You shall comply with all relevant laws, regulations, codes, standards or industry practices during the Policy Period, minimise any loss or Damage, and only employ competent Employees and ensure they adhere to these requirements.

19. Cancelling the Policy

When You can cancel:

You can cancel Your Policy whenever You want by giving written notice.

When We can cancel:

We can cancel Your Policy when the law allows Us to do so, including if:

- You failed to comply with Your duty of disclosure;
- We find out that You made a misrepresentation when You applied for, changed or renewed Your insurance;
- You don't comply with Your Policy's terms and conditions, including the terms of paying Your premium; or
- You make any fraudulent claim.

If We cancel the Policy, We'll give You at least 3 business days' notice in writing before the cancellation date, either:

- in person to You or Your agent;
- electronically; or
- by post to the address You've given Us.

If the Policy is cancelled either by You or Us, We'll refund any premium covering the rest of the Policy Period, unless You've made a total loss claim under this Policy and We've agreed to cover it.

We will not refund the non-refundable premium paid for Section 5 Management Liability Section Discovery Period Optional Cover.

20. Compliance with Policy terms and conditions

You are required to comply with the terms and conditions of the Policy. If more than one person is insured under the Policy, a failure or wrongful action by one of those persons may adversely affect the rights of any other person insured under the Policy.

Claims Procedures and Conditions

1. Claims

If an Event occurs which causes loss, Damage or liability or which You think may result in a claim being made under this Policy, You must as soon as reasonably possible, at Your own expense (unless the expense is covered under "3. Claims preparation expenses" below):

- a. tell Us about the claim and if We request, complete a claim form within a reasonable time after the Event

which caused the loss, Damage or liability. If We ask You to provide Us with a statutory declaration You must provide it.

- b. You must provide Us with details of any other Policy which may provide cover for any of the loss, Damage or liabilities insured by this Policy.
- c. provide Us with any documents and full details of other relevant legal or other proceedings such as an impending prosecution or inquest You receive or become aware of which relate to the loss, Damage or liability as soon as reasonably possible.
- d. take all reasonable action to:
 - i. recover lost or stolen property and minimise the claim;
 - ii. prevent further loss, Damage or liability.
- e. inform the police as soon as reasonably possible of any malicious Damage, Theft, attempted Theft or loss of Property;
- f. take reasonable steps to preserve any products, appliances, plant or other items which might prove necessary or useful as evidence until We have had an opportunity for inspection. To ensure You are covered please contact Us before any repairs or disposal.

However, You must not:

- g. admit liability, make any agreement to pay for Damage or agree or offer to settle any claim, without Our written consent. If You do, We may not pay the claim.
- h. incur any costs or expenses or authorise repairs (other than necessary temporary repairs) without Our agreement.

2. If a claim is made

- a. You must cooperate with Us and give Us all the information and assistance We may reasonably require in respect of Your claim.
- b. You must comply with all the terms of the Policy including the general conditions and claims conditions. We may reduce or refuse Your claim to the extent We are prejudiced by Your noncompliance.
- c. We have the right to conduct any legal proceedings that occur, and to take over and conduct, in Your name, the defence or settlement of any claim.
- d. We may at any time, pay to You for all claims (or series of claims caused by the one Event):
 - i. the amount of the Limit or sub-limit less any amounts already paid by Us for that claim;
 - ii. any lesser amount that the claim can be settled for.
- e. after We have settled the claim or paid the Limit to You, We shall relinquish the control of the claim and will not be under any further liability in relation to that claim.

3. Claims preparation expenses

We will pay Your reasonable costs as are necessarily incurred by You with Our consent (which We will not unreasonably withhold) for the preparation of a claim under Section 1 Property Damage, Section 2 Loss of Business Income and/or Section 3 Crime which We have agreed to cover You for.

The most We will pay in total for these costs for any one Event is the amount shown in the Schedule. These costs

are in addition to the Declared Values.

4. Progress payments

We may:

- a. make progress payments on claims that are covered under Section 1, Property Damage and Section 2, Loss of Business Income. We will consider making progress payments if they are recommended by Our loss adjuster or claims handler. We will consider all of the circumstances relevant to Your claim and will not unreasonably withhold progress payments, if they are recommended.
- b. prior to making a final payment on Your claim and at Your request, decide to make an advance cash payment to You to overcome any immediate financial difficulties that You may suffer as a result of loss or Damage which may be covered under this Policy. You will need to provide Us with the reasons why You need an advance payment, and any other information which We reasonably require to make Our decision.

However, the making of any payment under sub-clauses 4.a. and/or 4.b. shall not be taken as an indication that cover under the Policy is confirmed, and We reserve all Our rights under the Policy.

5. Rights of recovery

If We have paid a claim under this Policy, We have the right to take action in Your name to recover against any party who may have a legal liability to You in relation to that claim. These are called subrogation rights.

You must provide Us with all the information that is relevant to Our right to take such action and provide Us with all reasonable assistance, and You must not make any agreement with any such party or make any admissions that may have the effect of limiting or excluding Your rights against such party and/or Our rights to recover against such party.

6. Recoveries

Subject to Section 67 of the Insurance Contracts Act 1984 (Cth), any recoveries obtained from other parties after the settlement of a claim under this Policy, net of the expense of such recovery, will be allocated as follows:

- a. first, to You for Your uninsured loss in respect of a claim paid under this Policy (disregarding the amount of any Deductible applicable);
- b. secondly, to Us in reimbursement of the amount paid to You in respect of that claim; and
- c. thirdly, to You in satisfaction of any Deductible amount You contributed in relation to the claim.

Any other monies remaining after these allocations will be retained by Us.

Nothing in this condition shall prevent You and Us entering into a "Subrogation Agreement" following a loss agreeing to a different basis of sharing costs and expenses and the allocation of monies recovered.

7. Salvage

We will not dispose of any Property which is able to be salvaged from an Event which gave rise to a claim under this Policy without giving You the opportunity to buy at a reasonable salvage value.

If We pay You for branded Stock which is Damaged but not destroyed, You may at Your option keep the Damaged Stock, but We shall be entitled to a reasonable salvage value allowance for that Stock.

If You recover or find any lost or stolen Property for which We have paid a claim, You must tell Us as soon as reasonably possible and give Us the recovered or found Property if We request You to do so. This condition does not allow You to abandon Property to Us.

8. Access to property

If You advise Us of loss or Damage to Property insured, as set out in this condition:

- a. We, or anybody We appoint, may for reasonable purposes and in any reasonable manner:
 - i. enter, take or keep possession of the Buildings where destruction or Damage has happened;
 - ii. take or keep possession of the Property insured for the purpose of Our investigations; and
 - iii. if We accept liability for the loss, sell such Property insured or dispose of it in a reasonable manner, but, You are not entitled to abandon such Buildings or Property insured to Us. If We enter, take or keep possession of the Buildings or Property insured it will not be an admission of liability nor will it affect any of Your obligations under the Policy;
- b. if We elect or become bound to Reinstate or Replace any Property insured, You must at Your own expense produce and give Us all such plans, documents, books and information as We may reasonably require; and
- c. where We are not able to Reinstate exactly or completely (for example, if exact materials are no longer manufactured), We will Reinstate in a reasonable manner, up to the Limit or other sub-limit specified in the Schedule or the Policy.

9. Fraudulent claims

If You or any party covered by Your Policy makes a claim or arranges for some other party to make a claim that is in any way false, dishonest or fraudulent, then payment of the claim may be refused.

Section 1 Property Damage

You will only be covered under this Section 1 Property Damage if it is shown in the Schedule as “Covered”.

Your cover under Section 1 is subject to the General Definitions, General Exclusions, General Conditions, Claims Procedures and Conditions, and any of the Definitions, Exclusions and Conditions contained in this Section.

What is covered under Section 1

Your Property at the Location is insured against Accidental Damage caused by an Event during the Policy Period, up to the amount of the applicable Limit or sub-limit shown in the Schedule in accordance with the Basis of Settlement.

Limit, sub-limits and deductibles

We will not pay more than the overall Limit that applies to the Location where the Damage happens, as stated in the Schedule as the Location Limit, per Event subject to any applicable sub-limit and Deductible. The Limit and sub-limits apply in excess of the relevant Deductible.

The Location Limit for a specific Location will be reduced by any payment made or due to be made by Us following Damage covered by this Section at that Location.

If more than one sub-limit applies, We will pay up to the one with the highest value.

The sub-limits are within the Limit and not in addition, unless stated to the contrary.

A Deductible of \$20,000, or 1% of the total Declared Values for Property at the Location, whichever is lesser, applies for loss or Damage caused by earthquake, tsunami, subterranean fire or volcanic eruption.

All other Deductibles payable under Section 1 will be shown in the Schedule and apply to each and every Event.

Basis of Settlement – How we pay for claims under Section 1

1. Reinstatement/Replacement

- a. We will pay to Reinstatement or Replace Damaged Buildings at Your Location, or at another site in Australia.
- b. For Damaged Contents (other than Valuables) or Portable Contents We will, where it is practical for Us to do so, pay the necessary and reasonable cost to restore or repair the Damaged Contents or Portable Contents to a condition substantially the same as, but not better than, when new.
- c. If it is practical for Us to Replace Your Contents or Portable Contents, at Your option, We will Replace lost or Damaged Contents or Portable Contents with similar property.
- d. If it is not practical for Us to Replace Your Contents or Portable Contents due to their age, style, type, condition or nature or at Your option, We will pay You the Indemnity Value of the Contents or Portable Contents at the time of loss or Damage, or the Replacement Value as shown on Your Policy Schedule where the item is specified.
- e. For Damage to Stock We will at Our option (acting reasonably):
 - i. Replace or repair the Damaged Stock with property or materials of equal quality, standard and specification unless the Stock is Obsolete Stock;
 - ii. where the Stock is Obsolete Stock at the time of the Damage, We will pay You its value as Obsolete Stock but no more than its original cost to You; or
 - iii. if You request a cash settlement and Reinstatement or repair is not carried out, and the Stock is not

Obsolete Stock, We will pay the original cost to You of the Stock that is Damaged beyond repair and an amount commensurate with the cost of repairing Damaged Stock that can be repaired, if any, but not exceeding its value prior to when the Damage took place.

- f. For Property Insured which is Damaged in transit, We will pay:
 - i. for Property sold, the sale price plus freight if paid by You;
 - ii. for Property purchased, the purchase price shown on the invoice plus freight if paid by You;
 - iii. for any Property other than referred to in clauses 1 f. i and 1 f. ii. above, the Indemnity Value, plus the cost of the freight, if applicable.
- g. For Glass, We will pay the cost of repairing or Replacing Damaged Glass with glass of a similar type and quality necessary to comply with the minimum requirements of the relevant statutory authority, including fixing the Glass in its frame or its location and including the reasonable costs to expedite the Replacement.
- h. For Optional Cover 3 Equipment Breakdown, if insured, We will settle Your claim as follows:
 - i. if Your Property is insured on a Reinstatement or Replacement basis We will pay to Reinstatement or Replace the Damaged equipment at Your Location, or at Our option (acting reasonably), We will Replace the Damaged equipment with similar Property or pay You the Indemnity Value of Your equipment at the time of the Damage provided the claim does not exceed the cost of Reinstatement or Replacement; or
 - ii. for restoration of Electronic Data, the reasonable costs of restoration;
- i. For Valuables, We will, where it is practical to do so, pay the necessary and reasonable cost to restore or repair the item to a condition substantially the same as, but not better than, when new. If after the repair or restoration, the market value of the item is less than its market value immediately before the loss, We will pay the difference.

If it is not practical for Us to restore or repair the item due to its age, style, type, condition or nature or at Your option, We will pay You the Indemnity Value of the item at the time of loss or Damage, or the Replacement Value as shown on Your Policy Schedule where the item is specified.

The most We will pay for Damage to any one item of Valuables for any one Event is the Limit stated in the Schedule for the specified item of Valuables or, if not specified, the Limit stated in the Schedule for unspecified items.

- j. If We pay Your claim under this Section 1 on a Reinstatement basis, We will also pay You the extra costs of reinstatement which You incur to in order to comply with any laws or regulations with respect to reinstatement.

The amount We will pay for this extra cost will not include the cost of complying with any requirement that You were obliged to comply with before the Damage occurred.

The most We will pay for this extra cost is the amount shown in the Schedule for Extra Cost of Reinstatement.

If Reinstatement involves a Building which is subject to any heritage or listing protection and We have been told about that at the time when this Policy commenced, and if You decide to Reinstatement the Building at the same Location, We will also pay You the extra costs of reinstatement for special materials and specialised labour to ensure compliance with the standards imposed by the authority under which the Building is listed or protected.

If original materials are not locally available within a reasonable time frame, then We will only pay for suitable modern equivalent materials.

2. Conditions which apply to reinstatement.

Unless stated elsewhere in Section 1, the following conditions apply to Reinstatement.

- a. You must not unreasonably delay Reinstatement of the Damaged Property. If You do, We will only pay the amount that We would have been required to pay if Reinstatement had not been unreasonably delayed.
- b. If You rebuild at another site, We will not pay any more than Reinstatement Value that would have applied at the Location.
- c. If You choose not to Reinststate or Replace any Damaged Property, We will only pay You the amount that We would have been required to pay if the Property had been insured on the Indemnity Value basis.
- d. If any Property is Damaged but not destroyed, We will not pay any more than We would have been required to pay if the Property had been destroyed.

The following additional provisions apply to the way in which We will settle your claims under Section 1.

3. Undamaged foundations

If foundations are not destroyed following an Event and any government or statutory authority requires Reinstatement of the Property insured to be carried out on another site, the abandoned foundations will be considered as destroyed. If the resale value of the original Building site is increased due to the presence of the abandoned foundations, the increase in resale value will be paid to Us at the time of sale.

4. Underinsurance

You must declare to Us when You apply for this Policy the full Replacement Value of all Buildings, Contents and Stock insured at each Location under Section 1 Property Damage in accordance with the definition of Declared Values.

If You did not declare the appropriate value and You make a covered claim under Section 1 Property Damage, then the amount that We pay to Reinststate or Replace Damaged Buildings, Contents and Stock insured at the Location will be reduced to the proportion of the value You declared bears to 80% of the full Replacement Value of the Buildings, Contents and Stock insured at the Location declared at the commencement of the Policy Period.

For the purposes of this underinsurance clause, additional costs incurred for You to comply with the requirements of any lawful authority related to Reinstatement or Replacement will be excluded from the calculation of full Replacement Value.

However, if We pay Your claim on an indemnity basis, then the amount We pay will be reduced to that proportion of the value You declared bears to 80% of the Indemnity Value of the Buildings, Contents and Stock insured at the Location declared at the commencement of the Policy Period.

For claims under Section 1, this Clause 4 will not apply;

- a. if the value of the Damage at the Location is below 10% of the Declared Value for Buildings, Contents and Stock insured at the Location for which a claim is made.
- b. to Buildings if the Declared Values for Buildings at the Location is at least the value provided for Your Buildings by a professional commercial property valuer and that valuation is not more than 3 years old at the date of the Event.

The following is an example of how Underinsurance applies:

The value of Your Building is declared at \$1,000,000.

Damage to Your Building to the value of \$490,000 occurs from an Event covered by the Policy.

The insurable value of the Building at the commencement of the Policy Period is actually \$2,500,000.

Underinsurance applies because the Declared Value of \$1,000,000 for that Building is less than 80% of the insurable value ($\$2,500,000 \times 80\% = \$2,000,000$) calculated in accordance with the basis of settlement.

In this example We would pay only \$245,000 of Your Damage less any Deductible that has to be paid.

Claim Payment = $\$1,000,000 / (\$2,500,000 \times 80\%) \times \$490,000 = \$245,000$

5. Loss of floor space

If the law or local authority regulations requires that You can only rebuild with a reduced floor space in Your Building We will, in addition to paying You the Reinstatement costs, pay You the difference between the costs to rebuild with the reduced floor space, and the estimated costs to rebuild with the same floor space as had existed before the Damage.

6. Replacement equipment

If You Replace Damaged Property with new Equipment which has a different capability or output, We will pay the costs of that Property on the following basis:

If the new Property:

- a. has the same or lesser capability or output, We will pay the new installed cost of the Replacement Property as would give the same capability or output as Replaced Property;
- b. has a greater total capability or output, and the new installed cost of the Replacement Property is no greater than the Replacement cost of the Damaged Property, We will pay the new installed cost of the Replacement Property;
- c. has a greater total capability or output, and the new installed cost of the Replacement Property is greater than the Replacement cost of the Damaged Property, then We will pay the Reinstatement Value.

Additional benefits provided under Section 1

We will provide the following additional benefits under this Policy.

The most We will pay for each additional benefit for any one Event is the amount stated in the Schedule for the respective additional benefit, unless stated otherwise. We will not pay more than the 'allowance for all other additional benefits' included in the Location Limit stated in the Schedule for all additional benefits combined other than Removal of Debris and Catastrophe Event Cover, which are subject to their own Limits as stated in the Schedule.

Part A - We will extend the cover provided by this Section 1 for the following additional benefits:

1. Property in the open air

We will cover You for Damage to Property which is in the open air, but only if such Property is;

- designed to operate in the open air;
- is within the boundaries of the Location; and
- the Location is enclosed after hours by walls or fences, the entry points of which are lockable.

However, the most We will pay for all Damage to outside textile blinds and awnings, shade cloth, shade houses,

fibreglass houses and glass houses, gates, fences, signs and retaining walls which is caused by or arising from storm, rainwater, wind, cyclone, Flood (if shown as covered), hail or snow is the amount shown in the Schedule.

2. Business equipment used at home

We will cover You for loss or Damage to equipment (but not specialised equipment or Stock) which is normally used for the conduct of Your Business, but which is located at Your private residence within Australia and being used for the purposes of the Business, provided that such loss or Damage is caused by an Event which would have been covered had the Property Damaged been located at the Location.

For the purposes of this additional benefit 2 only, the expression "Your private residence" means the private residence of any officer, Employee, agent or consultant engaged in the conduct of Your Business.

3. Temporary removal

We will insure You for Damage to Your Property insured under this Policy that You have temporarily moved from Your Location to other premises within the Geographical Limit, for a period of 90 consecutive days from the day You first moved the Property from Your Location.

We do not cover Stock already sold or any Property in transit.

We will not pay for Damage to motor vehicles or motorcycles. We will not pay for Damage to trailers, caravans, Watercraft or hovercraft, unless they are Your Business Stock.

4. Temporary cover for new locations

If You acquire Property at a new Location during the Policy Period which is used by You for the purposes of Your Business, We will temporarily cover You for Damage to Your Property at the new location provided that:

- a. You carry on the same type of Business at the new location as is covered under this Policy;
- b. the Property at the new location is of a similar condition and type as the Property under this Section, and is not excluded from cover under this Policy;
- c. the Buildings at the new location are constructed of the same type of materials and have the same or better protection systems that are at least equivalent as those in place at the Location covered under this Section;
- d. You give Us full details of the new location within 30 days of the date on which You acquired the new location.

We will insure Your Property at the new location under this additional benefit from the date on which You acquired the new location until the expiry of 90 consecutive days from that acquisition date, or the expiry of the Policy Period, whichever occurs first.

This additional benefit applies only to Property insured at Your Location which is shown on the Schedule. The most We will pay for this additional benefit is the percentage stated in the Schedule times the highest total Declared Value of all Locations.

If the new location meets Our underwriting rules and You pay the additional premium, if any, We will at Your request extend Your Policy for the remainder of the Policy Period to cover the Property at the new location.

5. Seasonal increase in stock

We will increase cover for Your Stock during the Seasonal Increase Period by 50%.

The total number of days We will allow as a Seasonal Increase Period is 120 days in total during any one Policy Period. You do not have to tell Us what the dates of the Seasonal Increase Periods are, but if You make a claim

under this additional benefit 5, then Your Business records over the previous 2 years must confirm that the period is a Seasonal Increase Period.

However, if Your Business is less than 2 years old, We will use the financial records of Your Business from the date Your Business started until the date of the loss or Damage to support Your claim.

If Your Business records are unavailable due to being Damaged by the Event giving rise to the claim, the dates of the Seasonal Increase Period will be determined by reference to available records and/or periods of seasonal increases typical for the industry and situation Your Business operates in.

6. Playing surfaces

Regardless of any other provision in this Policy, We will cover You for the cost of repairing Damage to outdoor playing surfaces including supporting base, drainage, sub layers and foundations of those playing surfaces at Your Location, caused by:

- a. vandals or malicious persons, other than You, or Your guests, Directors, partners, officers, Employees or members, or their guests;
- b. the action of the firefighting services, police or other emergency services in attending to their duties at the Location.

7. Incidental transit

We will insure You for Damage to Your Contents and Stock, other than Valuables, while in transit between Your Locations and between Your Locations and situations to which Your Property is temporarily moved, within Australia. The expression "in transit" includes being loaded onto or unloaded from, a conveying vessel, vehicle, locomotive or Aircraft.

Part B - When Damage to Your Property occurs and is covered by this Section 1, We will provide the following additional benefits:

8. Floating stock

Where We pay a claim for Damage to Stock at Your Location, the Declared Value for Stock at the Location where the Damage occurred under Section 1 will be increased by the amount stated in the Schedule to allow for the transfer of Stock from another of Your Locations, provided that:

- a. You have Stock insured at more than one Location where Stock is located, including the Location affected;
- b. You regularly transfer Stock between Locations as part of Your normal Business operations, and
- c. We will not pay more than the total Declared Value for Stock for all Locations.

9. Expediting costs

We will pay Your reasonable costs for express delivery including overseas freight, penalty rates for labour and which are incurred by You in connection with the Replacement or Reinstatement of Damaged Property.

10. Professional fees

We will pay Your reasonable costs for professional fees paid for plans, specifications, tenders, quantities, supervision and the like incurred for the Reinstatement or Replacement of Damaged Buildings.

11. Records and data

If We have paid a claim for Damage to Contents at Your Location, We will pay the cost of recreating:

- a. Your Business books, plans, computer records, patterns and other Business records;
- b. Your customer's business records while in Your care, custody or control at Your Location or Your Business records that are Damaged while in Your care, custody or control for Business purposes while temporarily away from Your Location.

12. Alterations or additions

If Buildings at Your Location are insured, We will pay up to the additional amount stated in the Schedule for Reinstatement of Damaged alterations, or capital additions made to Buildings during the Policy Period.

If You are a tenant of premises at a Location used for the purposes of the Business, We will pay up to the additional amount stated in the Schedule for Reinstatement of Damaged alterations or additions to Your Contents that comprise landlord's fixtures and fittings, window dressings, floor coverings, and Glass which You have responsibility for under Your written tenancy agreement, made by You during the Policy Period.

13. Discharge of mortgage

If Your claim is paid on a total loss basis and requires the discharge of a mortgage over the Damaged Property, We will also pay Your reasonable legal costs for preparation and lodging of the discharge of such mortgage.

14. Efficiency improvements

We will pay the reasonable costs of repairing or Replacing Damaged Buildings and Contents with materials or equipment that will improve Your energy or water efficiency of such property.

15. Government fees

If You need to obtain the consent of any government or statutory authority to Reinstate Your Damaged Property, and are required to pay a fee for such consent, We will reimburse You for the amount You are required to pay to the government or statutory authority.

16. Landscaping

If We have paid a claim for Damage to a Building at Your Location, We will pay:

- a. to Reinstate Damaged landscaping, which shall mean the alteration of the natural condition of land through the use of trees, shrubs, plants, lawns and ornamentation at Your Locations;
- b. for clearing and/or repairing drains, gutters and sewers servicing the Location which is necessary because of Damage to landscaping other than caused by Flood or storm, including cyclone, wind or rain (including snow, sleet or hail).

17. Loss of land value

If We have paid a claim for Damage to a Building at Your Location, and any relevant authority refuses to allow rebuilding at the Location, either partly or at all, We will pay for any resulting loss of land value.

The amount We pay will be calculated as follows:

- a. if You have been refused a permit to allow rebuilding at the Location;
- b. where partial rebuilding is permitted,

We will pay the difference between the land value immediately before the Damage and the land value after the rebuilding or, in the case that rebuilding is refused, the land value immediately after the Damage. In any case, the amount We pay will be reduced by the amount of any compensation paid to You by the relevant authority.

18. Directors and employee's tools of trade and personal property

We will pay for insured Damage to Director's and Employee's tools of trade and Personal Property that occurs at Your Location.

19. Temporary protection for damaged glass

In the event of Damage to Glass, We will pay the reasonable cost of temporary shuttering, boarding up and the employment of security guards to safeguard the insured Property, or other reasonable security protection necessary, pending Replacement of the broken Glass.

20. Rewards

We will reimburse You for any reasonable reward which You pay for information which leads to a charge of anyone responsible for Damage which is covered under Section 1.

21. Taking inventory

We will pay the reasonable costs incurred by You for unpacking and repacking Stock in order to quantify and value Damaged Property, including other property in Your care, custody or control which is Damaged during the Policy Period.

22. Increased water charges

If You are charged by a water authority for metered water use arising from the loss or escape of water following Theft or attempted Theft from a Building covered by this Policy, We will reimburse You for the increased amount You are charged by that authority.

The amount We will pay is the difference between the amount You were charged for water use during the period of escape, and the amount You were charged for the same period in the previous year.

23. Catastrophe event cover

If Damage to Buildings which are part of Property occurs as a direct result of a Catastrophe Event, We will pay the increased cost of Reinstatement of such Damaged Building which arises from the increase in prices of labour and materials brought about as a direct result of the Catastrophe Event.

We will not pay any amount under this additional benefit until You have incurred rebuilding costs exceeding the Declared Value for Buildings at the Location.

We will increase the Limits for the following additional benefits in this Section 1 by the same percentage that We increase the Limits for the costs of Reinstatement of damaged Buildings under this Catastrophe event cover additional benefit:

- 9. Expediting costs;
- 10. Professional fees;
- 12. Alterations or additions;
- 14. Efficiency improvement;
- 16. Landscaping;
- 24. Removal of debris.

24. Removal of debris

We will pay the reasonable costs for demolition, dismantling, disposal, clean-up and necessary temporary repairs to Damaged Property, together with the removal, storage and disposal of Debris, or anything which caused the Damage from the Location.

We will also cover Your legal liability to remove Debris or anything which caused the Damage from adjoining property. We will not provide this cover if Your liability arose from any agreement You made after the commencement of the Policy Period, unless such liability would have existed regardless of the agreement.

Part C - We will also pay the following additional benefits, even though Damage to Your Property may not have occurred:

25. Fire brigade attendance fees

We will cover You for charges that You are required to pay for the attendance by any firefighting authority at a fire or other emergency, involving Your Property. We will also pay to refill any fire fighting appliances, which were used to extinguish a fire at or adjoining Your Location threatening Your Property.

26. Death following assault

If any person is injured while protecting or attempting to protect Property from loss or Damage covered by this Policy and death results from that injury within 12 months, We will pay the amount shown in Your Policy Schedule to the estate of that person.

27. Prevention of damage

We will cover You for the reasonable expenses You incur:

- a. to extinguish a fire at, or which threatens, Your Property at Your Location;
- b. to prevent or minimise imminent Damage to Your Property;
- c. following loss or Damage to Your Property, for the temporary protection (including for the engagement of security services) of Your Property;
- d. to remove Property from Your Location in order to prevent or minimise imminent Damage. We will also cover any Damage which results from the removal.

28. Locating leaks

We will pay Your reasonable costs of locating and exposing the source of gas, water or other liquid, escaping, discharging, leaking or overflowing from fixed systems including tanks, pipes and other fixed apparatus to prevent imminent Damage, or diminish Damage to Property including the costs and expenses of making good or reinstating Damage to other Property necessarily caused in locating the source of the problem, but not the cost of repairing or reinstating any part found to have been installed incorrectly or which has failed due to age, gradual deterioration and corrosion, or was unfit for its intended purpose.

Optional Covers provided under Section 1

The following covers are optional. If You apply for an Optional Cover, and We agree to provide that cover, We will charge an additional premium.

1. Flood

If Optional Cover 1 Flood is shown in the Schedule as "Covered", excluded cause Clause 8 shall not apply and We will cover You for loss or Damage to Building, Contents and/or Stock caused by Flood up to the Location Limit.

2. Glass

If Optional Cover 2 Glass is shown in the Schedule as “Covered”, excluded property Clause 7. Glass shall not apply, and We will also cover Additional Costs up to the Limit shown in the Schedule related to Damage to sign writing, ornamentation, security film, reflective materials or window tinting film, burglary alarm sensors, wiring, tape and electrical connections affixed to the Glass, the cost of removing and re-fixing of show-case frames and fittings, and the cost of temporary repairs.

3. Equipment breakdown

If Optional Cover 3 Equipment Breakdown is shown in the Schedule as “Covered”, excluded cause Clause 13. Equipment breakdown shall not apply to the extent of cover provided by this Optional Cover 3, and We will cover You under Section 1 (subject to its terms conditions and exclusions) for Breakdown during the Policy Period of Equipment which is in use or ready for use, at Your Location.

- a. We will also cover You for Damage to other Property which is caused directly by such Breakdown other than deterioration of Stock in cold storage.
- b. The most We will pay for Damage to Equipment for any one Event for Equipment Breakdown during the Policy Period is the Limit stated in the Schedule for the specified item of Equipment or, if not specified, the Limit stated in the Schedule for unspecified items..
- c. “Equipment” for the purposes of the cover provided under this Optional Cover means Electronic Equipment and Machinery but does not include:
 - mobile phones, tablets, personal audio or video equipment;
 - a boiler, economiser or other pressure vessel including pipes, valves and associated apparatus;
 - escalators or elevators;
 - motor vehicles, motorcycles, Watercraft, Aircraft or mobile plant;
 - research, diagnostic and electro-medical equipment;
 - coin or card-operated machines;
 - audio visual, amplification, burglar alarms, monitoring systems, surveillance equipment, office machines;
 - lighting facilities;
 - storage tanks and vats;
 - any container used to contain explosive or inflammable gases and liquids;
 - Building ducts, reticulating electrical wiring, water and gas piping;
 - refrigeration or display cabinet housing;
 - portable hand-held tools other than vacuum cleaners; and
 - hot water systems used for heating up to 500 litres of water to a temperature below one hundred degrees Celsius (100°C).
- d. “Breakdown” for the purposes of the cover provided under this Optional Cover means:
 - i. in respect of Machinery, sudden, unintended and unexpected failure of an item or part of any item of a Machine whilst in use and which results in Damage to the Machine requiring the repair or Replacement of the Machine or any or part of it, before it can resume operations.

However, "Breakdown" does not mean Damage which is caused by:

- wear and tear, gradual deterioration or corrosion or erosion of any part of a Machine;
 - vibration or mis-alignment;
 - the failure of any safety or protective device; or
 - the failure of any structure (except a bedplate) that is in place to support the Machine.
- ii. in respect of Electronic Equipment, the sudden, unintended and unexpected failure of an item or part of any item of Electronic Equipment whilst in use and which results in Damage to such item requiring the repair or Replacement of the item, or any or part of it, before it can resume operations.

Additional benefits for Equipment Breakdown

We will provide the following additional benefits under this Policy. The most We will pay for each additional benefit for any one Event is the amount stated in the Schedule for the respective additional benefit, unless stated otherwise.

- a. We will pay the reasonable additional cost of reinstatement where You incur extra expense, in complying with the requirements of any Act of Parliament or regulation made thereunder or any by-law or regulation of any municipal or other statutory authority, in the course of effecting repair or replacement of the Equipment, We will pay You for such extra expense in addition to the Limit. Provided that the amount so recoverable hereunder shall not include the additional cost in complying with any such Act, regulation, by-law or requirement with which You had been required to comply with prior to the Breakdown.
- b. We will pay the reasonable temporary equipment hire costs and expediting costs following Breakdown covered by this Optional Cover 3. We will pay for:
- i. the cost of hiring temporary equipment;
 - ii. the cost of temporary repairs;
 - iii. the extra cost of expediting permanent repairs including:
 - charges for overtime and work on public holidays where necessary and reasonably incurred;
 - freight within Australia by any recognised schedule service;
 - overseas air freight by any recognised schedule service and/or overseas labour;
- provided Our written approval for all these additional costs has first been obtained.
- c. We will also pay the reasonable cost of cleaning, storing, recycling and replacing:
- i. insulating oil in transformers, capacitors or switch gear; and
 - ii. refrigerant gas or liquid in air-conditioning or refrigeration units.
- d. We will provide temporary cover for a period of up to 90 consecutive days for additional Equipment that, during the Policy Period, is installed or brought into use at the Location, provided that:
- i. You must give Us notice in writing within the 90 days of it coming into Your possession. If You do not, We may reduce or deny Your claim to the extent We are prejudiced by Your delay;
 - ii. We will not cover Breakdown resulting from existing defects in such additional Equipment at the time when it comes into Your possession;

- iii. this temporary cover shall not commence until the additional Equipment has worked satisfactorily for eight (8) hours and has been handed over after commissioning;
 - iv. the Declared Value and Deductible for the additional Equipment will be that specified for a similar Equipment in the Schedule;
 - v. You pay the premium that We require for this additional Equipment calculated from the date of installation or bringing into use.
- e. If We accept a claim under Optional Cover 3 Equipment Breakdown, We will pay You for the cost of restoring Electronic Data which are:
- i. Your Business records and which have been lost or damaged solely as a result of Breakdown of Electronic Equipment; and/or
 - ii. Your customer's electronic records and lost or damaged at Your Location solely as a result of Breakdown of Electronic Equipment.

We will extend cover under this additional benefit to include restoration of Electronic Data lost on an Electronic Data processing system which is not owned by You and which You are not responsible to insure but which is being used by You at the time of happening of the Breakdown if the Breakdown to that system occurs in circumstances which would give rise to indemnity under this additional benefit if it was insured under this Optional Cover 3.

The most We will pay for this additional benefit is 20% of the relevant Equipment Breakdown Limit shown in the *Schedule* relevant to the Equipment for which a claim is admitted under this Optional Cover 3, for the costs incurred for the purpose of restoring Electronic Data, provided those costs are incurred within 90 days following the happening of a Breakdown.

We will not pay any amount under this additional benefit unless You have duplicate backup copies of updated Electronic Data stored off site at alternative premises, other than for firmware where it is reasonable not to duplicate off site.

Special Exclusions for Equipment Breakdown

The following exclusions apply to the cover provided under this Optional Cover 3. We will not pay for:

- a. Consequential Loss;
- b. liquidated damages or penalties for delay or detentions or in connection with guarantees of performance or efficiency; or
- c. repair or replacement necessitated by:
 - i. naturally resulting from ordinary use of working, rusting, oxidation, cavitation, or deposits of scale, sludge or other sediment;
 - ii. any direct consequences of progressive or continuous influences from working, or from atmospheric or chemical action other than Accidental contact with acids or other corrosive substances causing Breakdown that manifests itself within 24 hours of such Accidental contact
- d. repair of any crack, chip, scratch, fracture, blister, lamination, flaw or grooving which has not penetrated completely through the entire thickness of the material of the Equipment, even though repair or renewal of the part affected may be necessary either immediately or at some future time;
- e. in respect of Equipment Breakdown directly or indirectly caused by, or arising from, or in consequence of any of the following:

- i. any cause of loss or Damage that would be covered under Section 1 in the absence of this Optional Cover 3;
 - ii. testing and commissioning, intentional overloading or experiments;
 - iii. faults or defects known to You or to any Employee whose knowledge in law would be deemed to be Your knowledge and not disclosed to Us at the time this Policy was arranged, extended, varied, renewed or reinstated;
 - iv. any process of heat treatment, welding, grinding, cutting, drilling or shaping or the application of tools to the Property other than for the purpose of lifting the insured Machine or item; or
 - v. Damaged or faulty doors, lids, catches, latches, locks or any door-closing or lid-closing or securing mechanism or device of a cold chamber.
- f. Damage or Breakdown caused to any of the following:
- i. bits, drills, knives, saw blades, heating elements, fuses, contacts that spark or arc, and electronic valves and tubes, lasers and magnetron units;
 - ii. dyes, moulds, patterns, blocks, stamps, punches;
 - iii. coating or engraving on cylinders and rolls;
 - iv. crushing, hammering or grinding surfaces, wear plates, screens, tyres, batteries, burner jets or other parts which by their use and nature, suffer a high rate of wear or gradual deterioration;
 - v. sieves, flexible pipes, seals, jointing and packing materials, filters, ropes, chains, belts, tracks, rails, elevator and conveyor belts or bands, cables (other than electrical conductors), brushes, refractory materials, fire bars, unless as a result of Breakdown;
 - vi. fuels, chemicals, filter substances, heat transfer media, cleansing agents, lubricants, oils, catalysts or other operating materials. We will not pay for loss or Damage to refrigerants or transformer oils due to defective valves, glands, seals, gauges, or loose connections of pipes. However, this exclusion does not apply to loss or Damage to refrigerants or transformer oils due to breaking of pipes or flared joints;
 - vii. materials in the course of or undergoing processing;
 - viii. foundations and masonry or brick work;
 - ix. turbines, compressors, engine cylinders, hydraulic cylinders, flywheels or other parts subject to centrifugal force, transformers, switches or oil immersed switchgear;
 - x. any below ground turbine pump, submersible pump or motor, unless such pump or motor is fitted with an effective pressure or flow cut out switch that will stop the motor if the normal pumping pressure or flow is interrupted; or
 - xi. any unattended engine unless such engine is fitted with an effective automatic safety engine monitoring device and such device stops the engine in the event of a lubricating or cooling fault or failure.
- g. Equipment which is useless or Obsolete to Your Business.
- h. the cost of:
- i. maintenance work including but not limited to the tightening of loose parts, recalibration or adjustments;

- ii. alteration, additions, improvements or overhauls whether carried out in the course of indemnifiable repairs or as a separate operation;
- iii. modification or alteration of Equipment to enable it to operate with a more ozone-friendly refrigerant gas as required by the United Nations Environmental Protection Montreal Protocol, with respect to substances which deplete the ozone layer, unless conversion is necessitated by a claim that We have agreed to pay under this Section;
- iv. replacement of expendable items such as batteries, valves, x-ray and picture tubes, belts, chains, tapes, cards, ribbons, filters, tubes, electric heating elements or electrical contacts;
- v. replacement of component parts worn through normal use or operation, unless necessary as part of the rectification of insured Breakdown not otherwise excluded under this Optional Cover;
- vi. adjustment, cleaning, purging or recharging of refrigeration or air conditioning equipment;
- vii. repairs to piping and other ancillary systems due to cracking of pipe work;
- viii. any costs You are entitled to recover for labour or parts under a maintenance agreement, warranty, guarantee or indemnity in Your favour by the manufacturer of the relevant item or any other person; or
- ix. any unsafe or unlawful operation to the extent that such unsafe or unlawful operation caused or contributed to the Breakdown.
- x. Damage or Breakdown, if at the time of Breakdown:
 - the setting of any safety device was in excess of the limit imposed by any applicable regulation or the limit recommended by the manufacturer;
 - any safety device was removed or rendered inoperative;
 - the pressure equipment was not duly maintained in good working order and the subject of a current certificate of inspection as required by any regulation; or
 - the pressure equipment:
 - does not conform with all applicable Australian Standards or code; or
 - is operating in an unsafe condition, and You knew, or should have known that it was unsafe to use.
- i. Damage or Breakdown where an inspection by a competent person has not been carried out at intervals specified as per Australian Standards.
- j. Breakdown occurring to Equipment during any period when it is out of Your possession on hire, rental, lease or loan.
- k. Breakdown covered under any manufacturers' or suppliers' guarantee/warranty or which would have been covered but for a breach of Your obligations under the terms of the guarantee/warranty.
- l. legal liability of any kind.
- m. any loss caused by Your failure to upgrade or update Equipment in accordance with manufacturers recommendations.
- n. any loss caused by the use of any item of Equipment which is contrary to, or not in accordance with manufacturers specifications;
- o. any loss or Damage of whatsoever kind directly or indirectly caused by, contributed to by or arising from:

- i. Damage, loss, destruction, distortion, erasure, corruption, alteration, theft or other dishonest, criminal, fraudulent or unauthorised manipulation of Electronic Data from any cause whatsoever (including, but not limited to Computer Attack and/or a Cyber War & Terrorism Event) or loss of use, reduction in functionality, loss, cost expense and/or fee of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss or Damage;
- ii. error in creating, amending, entering, deleting or using Electronic Data;
- iii. total or partial inability or failure to receive, send, access or use Electronic Data for any time or at all; or
- iv. any business interruption losses resulting therefrom, regardless of any other contributing cause or Event whenever it may occur, unless such loss or Damage is a direct consequence of otherwise insured Damage and provided that Electronic Data and Electronic Data Media and/or business interruption is insured by these Sections.

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

4. Deterioration of Stock in Cold Storage

If Optional Cover 4 Deterioration of Stock is shown in the Schedule as "Covered", We will cover You up to the Limit shown in the Schedule for reasonable costs to Replace frozen or refrigerated Stock, contained in Your refrigerated storage spaces, which deteriorates or putrefies as a result of:

- a. Equipment Breakdown for which a claim is covered under Optional Cover 3 Equipment Breakdown;
- b. Equipment Breakdown of an item of Equipment covered under warranty or maintenance agreement;
- c. sudden and unforeseen failure of the public power supply;
- d. operation or failure to operate, of controls or protective devices within Your refrigeration Equipment; but not include loss caused by the manual operation or manual setting of controls or protective devices;
- e. Contamination of Stock directly caused by the Accidental escape of refrigerant into the cold chamber, or
- f. sudden leakage of refrigerant from the refrigeration Equipment or pipe system forming part of the refrigeration Equipment;

occurring during the Policy Period at Your Location.

Special Exclusions for Deterioration of Stock

The following exclusions apply to the cover provided under this Optional Cover 4.

We will not pay for:

- a. any cause of loss or Damage that would be covered under Section 1 in the absence of this Optional Cover 4.
- b. any deterioration or putrefaction caused by:
 - i. inappropriate or improper storage, Damage to packing materials or inadequate air circulation;
 - ii. Damage to goods due to any rationing of the electricity supply other than Accidental Damage to the generation equipment;
 - iii. shortage of fuel or water for generation of the public power supply; or
 - iv. Damage to goods which are alive or are of a bacterial nature.
- c. any goods which have passed their use by date, nor will We pay for the disposal costs of those goods.

Exclusions – causes of damage that are not covered under Section 1

You are not covered under Section 1 of the Policy for loss or Damage caused by:

1. Action of the sea

the action of the sea, storm surge or high water, unless caused by or arising directly from an earthquake or seismological disturbance.

2. Bushfire, grass fire, scrub fire, cyclone – delay of cover

- a. any bushfire, or grass fire or scrub fire or, any attempt to defend against any of them; or
- b. any named cyclone,

if the Damage occurs within a period of 72 hours from the commencement of this Policy.

However, this exclusion will not apply if:

- c. this Policy commenced immediately after another Policy covering Damage by bushfire, grass fire, scrub fire or named cyclone expired;
- d. You had entered into a contract to buy, sell or lease the Damaged Property before the Damage occurred.

3. Contamination

Contamination, Pollution, smoke, or smut, except directly caused by an insured peril or caused by any peril insured against which itself results from Contamination or Pollution.

4. Defect

inherent or concealed defect, error or omission in design, plan, specification, faulty workmanship or use of faulty materials, or non rectification of a defect, error or commission, faulty workmanship or material which You or any Employee whose knowledge in law would be deemed to be Yours were or should be reasonably aware of. Provided this exclusion shall not apply to subsequent loss or Damage to Your Property caused by faulty workmanship or materials.

5. Non-compliance

loss, Damage, or demolition ordered by a lawful authority caused by or resulting from Your failure, or the failure of anyone acting on Your behalf, to comply with any relevant law or ordinance.

6. Dishonesty

Fraud or dishonesty by You or Your employees acting alone or in collusion with any other person(s), including any corruption, unauthorised amendment or erasure of Electronic Data.

7. Erosion, earth movement and settling

- a. erosion, subsidence, landslide or mudslide and/or any other earth movement of any type, but We will cover loss or Damage caused by a landslide or subsidence that occurs within 72 hours of, and directly because of, a storm, earthquake, subterranean fire, volcanic eruption or water escaping from a water main owned by a water supply authority;
- b. normal settling, seepage, shrinkage or expansion in Buildings or foundations, walls, pavements, roads and other structural improvements, creeping, heaving and vibration.

8. Flood

Flood, unless Optional Cover 1. Flood is shown as "Covered" in the Schedule.

9. Incorrect siting of building

the incorrect siting of a Building on Your Property which was itself caused by error in design or specification, faulty workmanship or failure to comply with the requirements of any lawful authority.

10. Liability

Any legal liability which You have other than legal liability which is covered under additional benefit 24. Removal of debris.

11. Theft

Theft, except for Damage to Buildings at the Location which occurred during Theft or attempted Theft. This exclusion shall not apply to Portable Contents, if a Limit for Portable Contents is shown on the Schedule.

12. Wear and tear and progressive causes

- a. wear and tear, gradual deterioration or normal maintenance of Your Property;
- b. rust, oxidation, corrosion, fungi, disease, variation in temperature or atmosphere, tree roots, evaporation, loss of weight, shrinkage, scratching, fading, change in colour, flavour, texture or finish, unless such cause was itself brought about by an insured peril;
- c. wet or dry rot, mould, mildew, unless these are the direct result of an Event covered by this Section of the Policy;
- d. insects or vermin such as moths, white ants and termites;
- e. birds or animals that peck, bite, chew or scratch.

13. Equipment breakdown

mechanical, hydraulic, electrical or electronic breakdown, failure, malfunction or derangement of any Equipment. This exclusion shall not apply to the extent of cover provided under Optional Cover 3. Equipment Breakdown, if insured.

14. Boilers, pressure vessels and pressure equipment

loss or Damage to any boiler, pressure vessel or pressure equipment caused by its explosion, rupture, collapse, bursting, cracking or overheating.

15. Property in the open air

loss or Damage to Property in the open air other than Property covered by additional benefit 1.

16. Criminal action

actual or attempted kidnapping, threat, hoax, or extortion.

17. Cessation

the cessation of work (whether total or partial), interruption or retarding of any process or operation as a result of any industrial dispute.

18. Welding

arc or flame cutting, flame heating, arc or gas welding or similar operation in which You operate welding equipment unless such activity is conducted in strict compliance with Australian Standard in welding and allied processes issued by the Standards Association of Australia.

Exclusions – property that is not covered under Section 1

You are not covered under this Section 1 for loss or Damage to the following Property:

1. Property in transit

all Property while in transit other than to the extent covered by additional benefit 7. Incidental Transit.

2. Loss from unattended vehicle

Theft of Portable Contents from an unattended motor vehicle left overnight unless within a securely locked vehicle and Location.

3. Plants and animals

- a. standing timber, growing crops and pastures;
- b. plants, unless covered under additional benefit 16. Landscaping of Section 1;
- c. livestock, animals, birds or fish other than live animals that are Stock in pet shops.

4. Property undergoing processing

any Property whilst undergoing any processing, if the Damage was caused by its processing.

5. Unexplained disappearance

unexplained or inventory shortage, disappearance resulting from clerical or accounting errors, shortage in the supply or delivery of materials to You, or from You.

6. Vacant property

vacant Buildings awaiting or undergoing demolition at the time of the Damage.

7. Glass

Glass for loss or damage caused by any peril other than by fire, lightning, thunderbolt, explosion, implosion, earthquake, subterranean fire, volcanic eruption, impact by Aircraft or aerial object dropped therefrom, impact by road vehicle or animal, sonic boom, the acts of persons taking part in riots or civil commotions or of strikers or of locked out workers or of persons taking part in labour disturbances, storm, tempest, rainwater, Flood (if Optional Cover 1. Flood is shown in the Schedule as "Covered"), wind, hail, water and other liquids or substances discharged or overflowing or leaking from any apparatus or pipes at the Location.

8. Portable Contents

Portable Contents away from the Location unless Portable Contents is shown in the Schedule as "Covered" If covered, the most We will pay for Damage to Portable Contents for any one Event is the Limit stated in the Schedule for the specified item of Portable Contents or, if not specified, the Limit stated in the Schedule for unspecified items.

9. Transport vehicles

any vehicle or trailer registered or licensed to travel on public roads, locomotives, rolling stock, Watercraft or Aircraft and their accessories other than as Stock while at Your Location. Provided always that no cover shall apply while any Watercraft is on the water, and no cover shall apply to Aircraft during taxiing, take-off, flight or landing.

10. Land

land, provided that this exclusion shall not apply to Your structural improvements on or in the land if those structural improvements are not excluded elsewhere in this Policy.

11. Property under construction

Property undergoing construction, erection, alteration or addition when the value of work exceeds the Limit shown on the Schedule.

12. Bridges canals roadways

bridges, canals, roadways and tunnels, railway tracks (other than on the premises You occupied or use), dams and reservoirs (other than tanks) and their contents.

13. Docks wharves piers

docks, wharves and piers not forming part of any Building.

14. Mining and underground property

mining Property and any Equipment located beneath the surface of the ground, provided that this exclusion does not apply to underground services connected to a Building.

15. Valuables away from the building

Valuables while outside Your Building at the Location.

16. Money

Money, whether physical or non-physical.

Section 2 Loss of Business Income

We will only cover You, in accordance with the Basis of Settlement set out in this Section, for Loss of Business Income if We have also covered You under Section 1 Property Damage, and cover for Loss of Business Income is also shown in the Schedule as "Covered".

Your cover under Section 2 is subject to the General Definitions, General Exclusions, General Conditions, Claims Procedures and Conditions, and any of the Definitions, Exclusions and Conditions contained in this Section.

Definitions that apply to Section 2

The following definitions apply wherever they are found in this Section:

Additional Increased Costs of Working means the additional expenditure, not otherwise recoverable under this Section, necessarily and reasonably incurred during the Indemnity Period as a consequence of the Insured Damage for the sole or main purpose of avoiding or diminishing reduction in Business income and/or resuming and/or maintaining normal Business operations and/or services.

Rate of Gross Profit means the ratio of Insurable Gross Profit to Turnover earned during the financial year immediately before the financial year in which the Insured Damage happened.

Indemnity Period means the period that starts with the happening of the Damage that causes the interruption or interference of Your Business and ends no later than the number of months shown in the Schedule during which the results of Your Business are affected because of the Insured Damage.

Insurable Gross Profit means the sum of Your Sales, adjusted for movement (closing less opening balances) in Stock and work in progress (including materials and components), all adjusted for trends in Your Business and the Indemnity Period.

Insured Damage means Damage when both the property that is Damaged and the cause of the Damage is covered, or would have been covered but for the application of a Deductible by:

- a. Section 1 of Your Policy;
- b. Section 3 of Your Policy; or
- c. another insurance Policy that insures Your Property under coverage provisions generally equivalent to Section 1 of Your Policy, and names You as the insured, provided that:
 - We receive confirmation of the extent of cover from the Insurer who issued such other Policy; and
 - cover for both the Property that is Damaged and the cause of the Damage would have been covered, or would have been covered but for the application of any Deductible, under Your Policy.

For the purposes of additional benefits 2, 3, 4, 5, 7, 9c and 10, for property of Your suppliers, customers and other third parties, Insured Damage means Damage which, had the property been insured under Section 1 or Section 3 of Your Policy, would not otherwise be excluded by Your Policy.

Rental Income means Your rental income including any other monies paid to You or on Your behalf by the lessee under the terms of the written rental or leasing agreement.

Sales means Turnover less the cost of freight, packing, bad debts, and the purchase of goods, materials, components, or Stock.

Turnover means

- a. income derived from the sale of products and services (including electrical power generated on the Location and sold into an electricity grid operating at the Location) or any Government approved incentives, subsidies or market development allowances You are entitled to in relation to Your Business in the course of Your Business; and
- b. Rental Income shown in the Schedule including any other monies paid by the lessee under the terms of the rental or leasing agreement.

What is covered under Section 2

Under this Policy Section, You have the option to insure for:

- a. Insurable Gross Profit and/or,
- b. Additional Increased Costs of Working.

The insurance cover You have selected will be shown in Your Schedule.

Where Insurable Gross Profit is shown as Covered on the Schedule, We will pay You, in accordance with "Basis of Settlement - How We pay claims", for a reduction in Insurable Gross Profit during the Indemnity Period resulting from interruption of or interference of Your Business that is caused by Insured Damage that occurs during the Policy Period at Your Location.

Limit, sub-limits and deductibles

We will not pay more than the Limit as stated in the Schedule, subject to any applicable sub-limit and Deductible. The Limit and sub-limits apply in excess of the relevant Deductible.

The sub-limits are within the Limit and not in addition, unless stated to the contrary.

The Deductibles payable under Section 2 will be shown in the Schedule and apply to each and every Event.

Calculation adjustment clause that applies to Section 2

When calculating Rate of Gross Profit, annual Turnover, and standard Turnover such adjustments will be made:

- a. as may be necessary, to provide for the trend of Your Business; and
- b. for variations in or special circumstances affecting Your Business; and
- c. for variations in or other circumstances affecting Your Business.

either before or after the Insured Damage or which would have affected Your Business had the Insured Damage not occurred, so that the adjusted figures represent as nearly as may be reasonably practicable the results that but for the Insured Damage would have been obtained during the relative period after the Insured Damage.

Basis of Settlement – How we pay claims –Section 2

1. Insurable Gross Profit

Where Insurable Gross Profit is shown as "Covered" on the Schedule, We will pay the actual loss of Insurable Gross Profit due to reduction in Turnover and increase in cost of working, and the amount payable will be:

- a. in respect of reduction in Turnover: the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover since the Insured Damage happened, fell short of:
 - i. the Turnover in the corresponding twelve (12) month period in the year before such Insured Damage; or

- ii. a period of Your normal Business operations that corresponds most closely to the Indemnity Period if Your Business has operated for less than a year at the time of the Insured Damage,
- b. in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover that, but for that expenditure, would have taken place during the Indemnity Period in consequence of the Insured Damage, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction so avoided;

less any sum saved during the Indemnity Period in respect of the charges and expenses of Your Business payable out of Insurable Gross Profit that cease or are reduced in consequence of the Insured Damage.

2. Additional increased costs of working

When Additional Increased Costs of Working are shown to be “Covered” on the Schedule and consequent upon a claim being admitted under this Section, We will also pay You, up to the amount shown in the Schedule for the relevant additional expenses, those expenses You have necessarily and reasonably incurred during the Indemnity Period to resume or maintain the normal running of Your Business.

Additional benefits that apply to Section 2

If You are insured under coverage Clause 1 Insurable Gross Profit and provided that the Limit for Section 2 is not exceeded, We will provide the following additional benefits.

1. Catastrophe event cover

When additional benefit 23. Catastrophe event cover under the Property Damage Section 1 applies, and the Indemnity Period stated in the Schedule is twelve (12) months or more, We will increase the Indemnity Period by a further three (3) months, providing that You are covered for Reinstatement and undertake the Reinstatement of Your Business at the existing or an alternative Location and the results of Your Business continue to be affected because of the Insured Damage.

2. Computer equipment

We will cover interruption or interference of Your Business caused by Insured Damage to computer installations including ancillary equipment and Electronic Data Media utilised by You anywhere in Australia.

The most We will pay for this additional benefit is the percentage shown on the Schedule of the Declared Value for Insurable Gross Profit.

3. Suppliers and customers

We will cover interruption or interference of Your Business caused by Insured Damage to property within Australia at the premises of any of

- a. Your suppliers of goods, materials, produce, or services;
- b. Your customers.

However, We will not pay for losses involving any organisation that produces, supplies or delivers communication services, electricity, gas, water or sewerage used by Your Business.

The most We will pay for this additional benefit is the percentage shown on the Schedule of the Declared Value for Insurable Gross Profit.

We will not cover interruption or interference of Your Business caused by interruption or interference of Your supplier or customer which is not directly arising from a cause of Damage covered under Section 1 of this Policy.

4. Insured damage in the vicinity

We will cover interruption or interference of Your Business caused by Insured Damage which had it been insured under the Policy, is not otherwise excluded and occurs:

- a. to any property within a multi-tenanted commercial complex within which Your Business is located; or
- b. to property within the kilometre radius specified of Your Location, as shown on Your Schedule;

which prevents or hinders the use of or access to Your Location for a continuous period of greater than 48 hours.

5. Non-owned property

We will cover interruption or interference of Your Business caused by Insured Damage to Your landlord's and/or other non-owned property used by You at the Location.

6. Registered motor vehicles

We will cover interruption or interference of Your Business caused by Insured Damage to registered motor vehicles, motorcycles, caravans and trailers that are owned and/or operated by You but only while at Your Location.

7. Prevention of access by a public authority

We will cover interruption or interference to Your Business that is caused by an order of any competent public authority which prevents or restricts access to the Location, provided that:

- a. the order results from Damage or a threat of Damage to Property within the kilometre radius specified of Your Location, as shown on Your Schedule;
- b. the Damage or threat of Damage which, had it been insured under the Policy, is not otherwise excluded; and
- c. the prevention of access or restricted access to the Location extends for a continuous period of greater than 48 hours.

The maximum We will pay for losses arising from this additional benefit 7 is the amount shown on the Schedule during any one Policy Period.

The Indemnity Period applicable to losses payable under this additional benefit is 3 months irrespective of the Indemnity Period stated in Your Schedule.

8. Prevention of access

We will cover interruption or interference to Your Business as a result of closure or evacuation of the whole or part of the Location during the Policy Period:

- a. by order of a competent government, public or statutory authority as a result of vermin or pests or defects in the drains or other sanitary arrangements, occurring at the Location;
- b. by order of a competent government, public or statutory authority as a result of injury, illness or disease caused by the consumption of food or drink supplied at or from the Location or the wilful threat of contamination of food or drink at the Location; or
- c. as a result of murder, suicide or rape occurring at the Location;
- d. as a result of a shark or crocodile attack within a twenty (20) kilometre radius of the Location
- e. bomb threat at or adjacent to the Location;

This additional benefit 8. is subject to the General Exclusions, including "1. Communicable disease".

Provided that 8 a. and 8 b. will not indemnify loss resulting from interruption of or interference with the Business if poor hygiene is the cause or a contributing cause of the closure or evacuation.

We will not pay for any cost to clean up, decontaminate, disinfect, remove, replace, monitor and/or test for any diseases, conditions or circumstances described above.

The maximum We will pay for losses arising from this additional benefit 8 is the amount shown on the Schedule during any one Policy Period.

The Indemnity Period applicable to losses arising from this additional benefit is 3 months irrespective of the Indemnity Period stated in Your Schedule.

9. Storage, transit, bridges, railway lines and roads

We will cover interruption or interference of Your Business caused by Insured Damage to:

- a. Your Property stored at any premises not occupied by You;
- b. Your Property while in transit within Australia, outside of the Location occupied by You; or
- c. bridges, railway lines and roads within Australia, over which Stock, components and materials are conveyed to and from the Location.

The most We will pay for this benefit for any one Event is the amount stated in the Schedule.

10. Utilities

We will cover interruption or interference of Your Business caused by Insured Damage, to land-based property within Australia that belongs to or is controlled by any organisation that produces, supplies or delivers communication services, electricity, gas, water or sewerage used by the Business.

We will not be liable to pay for loss covered under this benefit which occurs during the first 48 hours immediately following the time at which the interruption or interference first commenced.

11. Accounts receivable

We will cover all amounts due to You from customers that You are unable to collect because of Insured Damage to records of accounts receivable. We will also pay collection expenses in excess of Your normal collection costs made necessary because of the Insured Damage as well as interest charges at the ruling rate of Your bank on any loan to offset impaired collections pending payment of amounts payable to You that are made uncollectable because of the Insured Damage.

If You cannot accurately establish the total amount of accounts receivable outstanding as at the date of loss Event, the amount will be calculated as follows:

- a. determine the amount of all outstanding accounts receivable at the end of the same fiscal month in the year immediately preceding the year in which the loss Event occurs;
- b. calculate the percentage of increase or decrease in the average monthly total of accounts receivable for the year immediately preceding the month in which the loss Event occurs, as compared with such average for the same months of the preceding year;
- c. the amount determined under a., increased or decreased by the percentage calculated under b. above, will be the agreed total amount of accounts receivable as of the last day of the fiscal month in which the loss Event occurs;

- d. the amount determined under c. above, will be increased or decreased in conformity with the normal fluctuation in the amount of accounts receivable during the fiscal month involved, consideration being given to the experience of Your Business since the last day of the last fiscal month for which statements have been rendered less:
 - i. the amounts of such accounts evidenced by records not suffering Damage or otherwise established or collected by You,
 - ii. an amount to allow for probable bad debts that would normally have been uncollectable by You,
 - iii. all unearned interest and service charges, and
 - iv. settlement or term discounts normally allowed.

The most We will pay for this additional benefit is the percentage shown on the Schedule of the Declared Value for Insurable Gross Profit.

12. Additional location

If You acquire or use during the Policy Period any other Location within Australia for the purpose of Your Business We will treat any damage relating to that Location as covered by this Section of the Policy provided that We are advised of the use or acquisition of the Location within 30 days of You acquiring or first using it.

13. Fines, damages and penalties

This Section also extends to include liability for:

- a. fines or damages for breach of contract resulting from non-completion or late completion of orders. We will not pay for exemplary, punitive or aggravated damages; or
- b. the discharge of contract purchases, cancellation notices, fines or damages for breach of contracts for the purchase of goods or services You cannot use during the Indemnity Period, less the value of these goods to You or the amount received for their sale; but only where such is due to Insured Damage to the Property insured which has resulted in an admissible claim under Property Damage Section or Crime Section of the Policy.

Under this additional benefit, the maximum We will pay is the percentage shown on the Schedule of the Declared Value for Insurable Gross Profit within any one Policy Period.

14. Government incentives

The monetary loss of Insurable Gross Profit is extended to include the loss of any government-approved incentives, subsidies or market development allowances You are entitled to in relation to Your Business.

This only applies if the loss of these benefits was caused as a result of Insured Damage to the Property insured which has resulted in an admissible claim under Property Damage Section or Crime Section of the Policy.

Under this additional benefit, the maximum We will pay is the percentage shown on the Schedule of the Declared Value for Insurable Gross Profit within any one Policy Period.

Specific conditions that apply to Section 2

1. Progress payments

We will make progress payments on a monthly basis where reasonably possible and mutually agreed upon.

2. Accumulated Stock

If You delay the reduction in Your Turnover by running down accumulated stocks, We will make a reasonable adjustment to any amount We might have otherwise allowed for shortage in Turnover.

3. Departmental clause

If Your Business is conducted in departments and each of the department's Turnover can be determined, the provisions of the Basis of Settlement will apply separately to each department affected by the Insured Damage.

4. Alterations, forfeiture and closure of your business

We will not pay any claim under this Section if Your Business is wound up or carried on by either a liquidator, administrator or a receiver or is permanently discontinued.

5. Underinsurance

If the Declared Value for Insurable Gross Profit at the commencement of each Policy Period is less than the sum produced by applying the Rate of Gross Profit to 80% of the Turnover, (or a proportionately increased multiple of it, where the Indemnity Period exceeds 12 months) the amount payable under this Section will be proportionately reduced.

6. Turnover elsewhere after damage

If during the Indemnity Period You or others on Your behalf operate the Business from a situation other than the Location specified in the Schedule then the Turnover earned by operating at the other situation will be brought into account when calculating the Turnover.

Section 3 Crime

Cover types

We will only provide cover under this Section 3 if We have also covered You under Section 1 Property Damage, and cover for Crime is shown in the Schedule as "Covered". You must also pay Us the premium We request for cover under this Section. If You do not pay Your premium, You will not have cover under this Section.

Your cover under Section 3 is subject to the General Definitions, General Exclusions, General Conditions, Claims Procedures and Conditions, and any of the Definitions, Exclusions and Conditions contained in this Section.

The cover for Crime under this Section 3 consists of three (3) sub-sections. They are:

Part A - Theft

Part B - Money

Part C - Employee Dishonesty

You may select any combination of the three sub-sections. Your Schedule will state which sub-sections You are covered for.

Definitions that apply to Parts A, B & C of Section 3

The following definitions apply wherever they are found in this Section:

Employee Dishonesty means the unlawful taking of Property by Your Employee, whether acting alone or in collision with others, with the intent to:

- cause loss to You; or
- benefit any person or organisation other than You.

Financial Service Provider means a bank, building society or credit union or an agency for any of these that is in the business of providing banking services to the public.

Limit, sub-limits and deductibles

We will not pay more than the Limit as stated in the Schedule, subject to any applicable sub-limit and Deductible. The Limit and sub-limits apply in excess of the relevant Deductible.

The sub-limits are within the Limit and not in addition, unless stated to the contrary.

The Deductibles payable under Section 3 will be shown in the Schedule and apply to each and every Event.

Part A – Theft

What is covered under Part A of Section 3

We will cover You, in accordance with the Basis of Settlement, under this Part A Theft for loss or Damage to Your Property which is caused by Theft at Your Location during the Policy Period, but We will only cover You where one or more of the following applies:

- a. the Theft involves visible forcible entry to or exit from a Building at Your Location, or any locked cupboard, showcase or counter;

- b. actual, or threatened armed hold-up;
- c. actual or threatened violence;
- d. the Theft involved a person concealed on the premises at Your Location during business hours before the premises were closed and locked.

Exclusions that apply to Part A of Section 3

- a. We will not cover You for:
 - i. fraudulent or dishonest acts committed by You, Your family or Your Employees; or
 - ii. any claim payable under Part 3 Employee Dishonesty.
- b. We will not pay for:
 - i. Theft from any open-sided structure such as, but not limited to, verandas, yards or other open spaces whether they are partially or fully enclosed by a Building or not, except as provided under additional benefits Theft without forcible entry and Theft in the open air;
 - ii. Theft when entry has been made using keys or security codes unless obtained through actual or threatened violence to person(s) or property;
 - iii. Theft of Money;
 - iv. Theft of motorised vehicles and/or Watercraft;
 - v. unexplained disappearances or unexplained shortages whether resulting from clerical or accounting errors or shortages in the supply of materials to or by You;
 - vi. Consequential Loss of any kind;
 - vii. the dishonest manipulation of any database or Computer System; or
 - viii. Damage to Glass unless it is Stock.
 - ix. Theft of Valuables while located outside Your Building at the Location.

Part B – Money

What is covered under Part B of Section 3

We will cover You, in accordance with the Basis of Settlement, under this Part B Money for Your Money which is Accidentally lost, Damaged or destroyed (including by Theft) during the Policy Period:

- a. from within a Building at Your Location, or when it is in transit to or from Your Location;
- b. from a bank night safe, night deposit chute or automatic teller machine;
- c. from a locked safe or strongroom;
- d. whilst at Your or Your authorised Employee's residence until the closing time on next business day when the Money can be deposited with a Financial Service Provider; or
- e. whilst in Your custody or the custody of an authorised Employee whilst travelling on business anywhere in the world.

We will also pay for Damage to Your safes or strongrooms provided the Limit is not exhausted.

Exclusions that apply to Part B of Section 3

We will not pay for:

- a. Theft from an unattended vehicle that is not locked;
- b. Theft from a safe or strongroom when the locking device is opened by:
 - i. a key, a magnetic key or card, or similar device, unless obtained through actual or threatened violence to person(s) or Property;
 - ii. a sequence of numbers or letters, or numbers and letters; or
 - iii. any combination of the security devices shown in i. and ii. above, when these security devices are left unsecured at the Location;
- c. Theft from a safe or strongroom that is not locked during non-business hours;
- d. shortage due to error or omission;
- e. loss due to fraudulent or dishonest acts by You or Your Family Member(s) or Your Employees. However this exclusion shall not apply to Theft by Your Employees following visible, forcible and violent entry.
- f. loss due to the dishonest manipulation of any database or Computer System;
- g. loss of Money while professional money carriers, professional carriers or common carriers are carrying it;
- h. Consequential Loss of any kind; or
- i. loss of Money occurring outside of Australia except as provided by clause e. under What is covered under Part B of Section 3 .

Part C – Employee Dishonesty

What is covered under Part C of Section 3

We will cover You, in accordance with the Basis of Settlement, under this Part C Employee Dishonesty for Employee Dishonesty resulting in loss of;

- a. physical Money, Contents or Stock, which happens at Your Location; and
- b. where You select Part C Employee Dishonesty for any of Your Locations, for loss of non-physical Money belonging to You regardless of where the Employee is based;

provided that the loss;

- c. directly resulted from the dishonesty of your Employee who resides within Australia;
- d. happens during the Policy Period; and
- e. is discovered not later than 12 months after the expiry of the Policy Period or not later than 12 months after the termination of the employment of the Employee, whichever occurs first.

Exclusions that apply to Part C of Section 3

We will not pay any claim:

- a. if You are unable to identify the actual person responsible. However, We will pay for Your loss if You are able to show that the loss was due to the fraud or dishonesty of one or more Employees;
- b. if You had knowledge or information about a prior act of dishonesty on the part of that Employee before the loss occurred;
- c. if the loss occurred because of the dishonesty of a Director, officer or Family Member.

We will not pay for:

- a. any loss or part of a loss the proof or quantification of which depends upon any shortage revealed by or inconsistency in any accounting records, an inventory computation or enumeration, a comparison of inventory records with an actual physical count, or a profit and loss computation;
- b. any loss arising from a failure to make payment of or default under any loan or credit transaction obtained from or made by You whether authorised or unauthorised unless there is fraud or dishonesty by an Employee;
- c. any loss arising out of a change or variation in the method of conducting the Business that results in information provided to Us in any application for this insurance or any supporting documentation being materially different;
- d. total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data;
- e. error in creating, amending, entering, deleting or using Electronic Data; or
- f. 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.
- g. any loss arising from Social Engineering Fraud.

Specific Conditions that apply to Part C of Section 3

If You do not meet the following conditions, We may reduce or refuse to pay a claim to the extent We are prejudiced by Your non-compliance.

- a. You must perform all checks or precautions described by You in any application for this insurance or any documentation supporting the application.
- b. You must inform Us as soon as reasonably possible in writing and obtain Our written consent if there has been any change in the ownership of the Business without Our prior written consent. If You do not, We may reduce or deny Your claim to the extent We are prejudiced by Your delay.
- c. In the event of any loss being discovered You must, to the extent allowed by law, retain all salary, commission moneys or assets that are the property of the Employee in respect of whose conduct a claim is made and which are or may come within Your control and You must apply them towards making good the amount of the loss.
- d. You must give to Us written notice as soon as reasonably possible upon the discovery of any conduct that is fraudulent or dishonest by any Employee or of reasonable cause for suspicion as to any such conduct by an Employee whether giving rise to a claim or not. We will not pay for any loss occurring after the date of discovery of such conduct. If You do not notify Us as soon as reasonably possible, We may reduce or deny Your claim to the extent We are prejudiced by Your delay.

Basis of Settlement – How we pay claims under Section 3

For all claims for loss under any of Parts A, B and C of this Section 3, We will settle Your claims on the following basis:

- a. for Money We will pay You the amount of Money lost, or if the loss of Money is of foreign currency, We will pay You the amount calculated by converting the lost amount of foreign currency to Australian dollars at the market rate applicable at the date of discovery of the loss.
- b. for Contents We will at Our option (acting reasonably), repair or Replace lost or Damaged Contents with similar property, or pay You the Indemnity Value of the Contents at the time of loss;
- c. for Securities We will pay as follows:
 - i. if Securities can be replaced, the cost paid or payable by You; or,
 - ii. if the Securities cannot be replaced, the greater of;
 - the closing market value (in Australian dollars) on the business day prior to the discovery of their loss, or
 - if their loss is discovered after the close of the market, their closing value (in Australian dollars) on the day of discovery of their loss;
- d. for loss or Damage to Stock We will at Our option (acting reasonably):
 - i. Replace or repair the lost or Damaged Stock with property or materials of equal quality, standard and specification unless the Stock is Obsolete Stock;
 - ii. where the Stock is Obsolete Stock at the time of the Damage, We will pay You its value as Obsolete Stock but no more than its original cost to You; or
 - iii. if You request a cash settlement and Reinstatement or repair is not carried out, and the Stock is not Obsolete Stock, We will pay the original cost to You of the Stock that is Damaged beyond repair and an amount commensurate with the cost of repairing Damaged Stock that can be repaired, if any, but not exceeding its value prior to when the Damage took place.

Any Stock recovered after We have made a claim payment for it will belong to Us, subject to Your right to reclaim it by repaying the claim amount We paid to You.

Additional benefits that apply to Section 3

Where You have selected cover under Parts A, B or C of this Section 3, We will extend the cover for those Parts as provided in additional benefits 1. to 7. If We accept a claim for loss under any of Parts A, B or C of this Section 3, We will also provide the additional benefits 8. to 12. to the extent that they are relevant to Your claim.

The most We will pay for each additional benefit for any one Event is the amount stated in the Schedule for the respective additional benefit, unless stated otherwise. Additional benefits 9. to 12. are in addition to the main Limits stated in the Schedule.

1. Theft in the open air

Where Part A Theft is insured, We will extend Part A Theft to cover Your Contents and Stock in the open air, provided that all gates and fences are maintained and locked when Your Location is unattended. This additional benefit will not be cumulative with additional benefit 2. for the same Event.

We will not pay for:

- a. Theft involving shoplifting;
- b. Theft by You or any of Your Employees;
- c. Consequential Loss of any kind; or
- d. Theft of Property insured in the open air unless the Location is fully enclosed by a secure and appropriately locked fence after hours.

2. Theft without forcible entry

Where Part A Theft is insured, We will extend Part A Theft to cover loss during the Policy Period from Theft where there are no signs of forcible and violent entry to or exit from Your Building, provided the Theft was not from an open sided structure.

We will not pay for:

- a. Theft involving shoplifting;
- b. Theft by You or any of Your Employees; or
- c. Consequential Loss of any kind.

We will not pay if the loss arises in relation to an unexplained disappearance or inventory shortage, clerical or accounting errors or shortage in supply or delivery.

3. Temporary removal

Where Part A Theft is insured, We will extend Part A to cover for loss of Property You have temporarily moved from Your Location to anywhere within the Geographical Limit where the loss arises from forcible and violent entry to the Building. Cover under this benefit ceases when Your Property has been removed from Your Location for 90 consecutive days.

We will not pay for loss of Stock already sold or on consignment, tobacco products, alcoholic beverages, Personal Property, or Employees' tools and equipment.

4. Credit card loss

Where Part B Money is insured, We will extend Part B to cover financial loss incurred because of the illegal or unauthorised use of Your Business credit or debit card, which is lost or stolen but only for such part of the loss that is not covered by the institution which issued the card.

5. Cover for new locations

We will temporarily extend cover provided by Parts A Theft, B Money and C Employee Dishonesty of this Section 3, if insured, at any new Location first occupied by You during the Policy Period provided that;

- a. this temporary cover will only be provided for a maximum period of 60 days from the date You first occupy the new Location or until the expiry of the Policy Period, whichever is the earliest; and
- b. the Buildings at the new Location have the same or better security and protection systems that are at least equivalent as those in place at the Locations covered under this Section.

The most We will pay for this additional benefit is the percentage stated in the Schedule times the highest Limits insured for Parts A, B and C of Section 3 for Your Locations.

If the new Location meets Our underwriting rules and You pay the additional premium, if any, We will at Your request extend Your Policy for the remainder of the Policy Period to provide cover for the new Location under this

6. Continuous cover for employee dishonesty

If Your cover for Part C Employee Dishonesty under this Policy replaces similar cover provided under a previous Policy, and this Policy replaces the previous Policy immediately after its expiry, We will cover You under Part C Employee Dishonesty of this Policy provided that:

- a. the Employee Dishonesty loss occurred not more than 12 months prior to the commencement of cover under Part C Employee Dishonesty of this Policy;
- b. the Employee Dishonesty loss is not covered under the previous Policy solely because it was not discovered during the period of the cover under the previous Policy; and
- c. You first became aware of the loss during the Policy Period.

The Limit of cover under this additional benefit is the Part C. Employee Dishonesty Limit shown on Your Schedule or the limit or sum insured of the Employee Dishonesty cover You held immediately prior to this Policy, whichever is the lesser. All other terms and conditions of this Policy will apply.

7. Counterfeit currency

Where Part B Money is insured, We will extend Part B to cover loss of Money arising from Your acceptance in good faith of counterfeit Australian currency in exchange for the provision by You of goods or services in the course of Your Business.

8. Employees tools and equipment

Where Part A Theft is insured, We will extend Part A to cover Your Employees' tools and equipment used in connection with Your Business, and personal effects of Employees, Directors and officers while at Your Location.

9. Locks, keys and combinations

Where Part A Theft or Part B Money is insured, if, as a result of Damage caused by Theft or attempted Theft covered under Part A or Part B, Your keys, combinations or other locking devices at the Location are stolen or Your combinations become known or if there are reasonable grounds to believe that Your keys or other locking devices may have been duplicated, We will pay for the replacement of locks, keys, combinations, and electronic cards or other locking systems or devices.

We will also pay the cost to open safes and strongrooms which is necessary because of the Theft of keys and/or other locking devices forming part of the Property, and the cost of restoring any security system to its condition prior to the Damage.

10. Seasonal increase period

We will increase the Theft and Money Limits, if insured, by the same percentage stated in the Seasonal increase in Stock additional benefit in Section 1 Property Damage. The period during which We will increase the Limits is;

- a. for Part A Theft, the same period as applies to the Seasonal Increase in Stock additional benefit in Section 1 Property Damage;
- b. for Part B Money, any public holiday until Your bank's closing time on the day following that public holiday.

11. Rewriting of records

Where Part A Theft is insured, We will extend Part A to cover clerical and professional costs to recreate Your Business books, plans, computer records, patterns and other Business records, that are damaged or lost by an

Event covered by the Theft Section.

12. Cost of recovery

Where Part C Employee Dishonesty is insured, We will extend Part C to cover costs and expenses You have reasonably incurred with Our permission in an attempt to recover Property that has been lost as a result of Employee Dishonesty.

We may withhold Our consent for recovery if, in Our opinion, the attempted recovery is not economically viable.

Section 4 Public and Products Liability

We will only provide cover under this Section 4 if cover for Public and Products Liability is shown in the Schedule as "Covered". You must also pay Us the premium We request for cover under this Section. If You do not pay Your premium, You will not have cover under this Section.

Your cover under Section 4 is subject to the General Definitions, General Exclusions, General Conditions, Claims Procedures and Conditions, and any of the Definitions, Exclusions, and Conditions contained in this Section.

Definitions that apply to Section 4

For the purposes of this Section 4,

Occurrence means one incident or a series of incidents which is in consequence of, or attributable to, one source or original cause including continuous or repeated exposure to substantially the same general conditions which results in Personal Injury, Property Damage or Advertising Liability, which was not expected nor intended by You.

Advertising Liability means liability arising from any of the following:

- defamation; or
- breach of the misleading or deceptive conduct provisions of any Australian competition and consumer legislation, or any fair trading or similar legislation of any country, state or territory; or
- infringement of copyright or passing off of title or slogan; or
- unfair competition, piracy, misappropriation of advertising ideas, style of doing business; or
- invasion of privacy,

committed or alleged to have been committed during the Policy Period in any advertisement, publicity article, broadcast or telecast and caused by or arising out of Your advertising activities.

Personal Injury means:

- bodily injury, death, sickness, disease, shock, fright, mental anguish and/or mental injury, including loss of consortium or services resulting therefrom;
- false arrest, false detention, wrongful imprisonment, malicious prosecution or malicious humiliation;
- discrimination (unless insurance of it is prohibited by law) not committed by You or any person insured by this Policy or at Your or an insured person's direction;
- wrongful entry or wrongful eviction or other invasion of privacy;
- defamation, libel and slander except arising out of Advertising Liability;
- assault or battery.

Property Damage means:

- a. physical Damage to or physical loss or destruction of tangible property including the loss of use of that property at any time resulting therefrom;
- b. loss of use of tangible property which has not been physically Damaged or destroyed provided such loss of use is caused by physical Damage to or destruction of other tangible property.

You, Your means the Insured and:

- every Director, executive officer, Employee, partner or shareholder of the Insured or in a company designated in parts of this definition above but only whilst acting within the scope of their duties in such capacity;
- any Director or senior executive of the Insured in respect of private work undertaken by the Insured's Employees for such Director or senior executive;
- every office bearer or member of social and sporting clubs, canteen and welfare organisations and first aid, fire and ambulance services formed with the Insured's consent (but not persons designated in the parts of this definition below) in respect of claims arising from their duties connected with the activities of any such club, organisation or service;
- every principal of the Insured, in respect of that principal's liability caused by the performance of work for that principal, but subject always to the extent of coverage and the Limit provided by this Policy;
- each partner, joint venturer, co-venturer or joint lessee of the Insured but only:
 - with respect to liability incurred as the partnership, joint venture, co-venture, joint lease; and
 - provided the partnership, joint venture, co-venture, joint lease has been notified to Us within 60 days of formation and shown in the Policy Schedule;

You, Your does not include the interest of any other person other than as described above.

What is covered under Section 4

We will cover You under this Section for Your legal liability to a third party to pay compensation for Personal Injury, Property Damage, and Advertising Liability, provided that Your liability is caused by an Occurrence which happens within the Geographical Limit during the Policy Period and is in connection with Your Business.

Supplementary Benefits that apply to Section 4

If We cover You for a claim for Personal Injury, Property Damage, or Advertising Liability, We will also provide You with the following supplementary benefits in addition to the Limit applicable to this Section 4:

1. Defence costs

- If a claim is made against You for Personal injury, Property Damage or Advertising Liability, We will defend You against that claim, even if the allegations against You are groundless, false or fraudulent.
- We will pay reasonable Defence Costs which We, or You incur with Our written consent, to defend the claim, including any loss of income You suffer because of attendance at Our request at any hearing relating to the claim, and any expenses to appeal or defend an appeal in relation to the claim. Contact SafetyCulture Care and obtain approval before incurring costs You want to claim, otherwise We will pay up to the amount We would have authorised had You asked Us first.

2. Other costs

We will pay:

- all costs and expenses which You are obliged to pay as a result of a judgement or award against You;
- pre-judgment interest that is awarded against You for that part of the judgement that We are responsible to indemnify You for, together with any interest that accrues until We have actually paid it;
- reasonable expenses incurred by You to render first aid as result of Personal injury (other than the payment of any medical expenses which We are prevented by law from paying);
- for reasonable expenses incurred by You for the temporary protection of property of any other party that

has been damaged as a result of an Occurrence which is the subject of indemnity under the Policy;

- e. the reasonable costs of providing, erecting and dismantling of barriers for the temporary protection of property which You are obliged to provide to comply with by law;
- f. the legal costs incurred by You with Our consent, for representation at any:
 - i. coronial inquest or enquiry,
 - ii. proceedings in any court or other tribunal which relates to liability insured by this Policy Section
- g. the costs of representation at any royal commission, fatal accident inquiry or other formal enquiry by a lawfully constituted authority established to inquire into the circumstances surrounding any Event that could result in a claim that would be covered under this Policy Section, or any disciplinary action against You.

If a payment exceeding Your Limit for this Section 4 has to be made to dispose of a claim, Our liability to pay supplementary benefits of defence and other costs will be limited to that proportion of defence and other costs as Your Limit bears to the amount paid or payable to dispose of the claim.

Limit, sub-limits and deductibles that apply to Section 4

Subject to Clauses a. and b. below and to any applicable sub-limit and Deductible, Our liability to pay compensation as a result of an Occurrence shall not exceed the Public and Products Liability Limit stated in the Schedule.

- a. Our liability to pay compensation in respect of or in any way related to Your Products shall not exceed the Public and Products Liability Limit stated in the Schedule for all Occurrences during any one Policy Period.
- b. With respect to Products sent to North America without Your knowledge or knowledge of Your agent or Employees, and/or Business visits by Directors and Employees who are normally not resident in North America and do not perform or supervise manual work in North America, the Limit shall apply inclusively of all supplementary benefits and additional payments for any claim covered by this Section being made against You in any court or before any other legally instituted body in North America.

Sub-limits, if any, will be shown in the Schedule and are within the Limit and not in addition.

The Deductibles payable under Section 4 will be shown in the Schedule, and apply to each and every claim, unless stated to the contrary.

We shall not be obligated to pay any compensation, defence or other costs, or judgement or to defend any suit after Our Limit has been exhausted by payment of claims, judgments and/or settlements.

Exclusions that apply to Section 4

We will not pay any claim, compensation or cost, or defend any claim, for Your liability:

- a. for Advertising Liability:
 - i. resulting from any statement, publication, utterance or testimonial used or made by You or at Your direction which You knew or a reasonable person in the circumstances would have known to be inaccurate, false or had no reasonable basis to believe to be true;
 - ii. resulting from a defamatory statement used or made by You, or at Your direction, prior to the Policy Period;
 - iii. resulting from any incorrect description of Your Products or services;
 - iv. caused by a mistake in the advertised price of Your Products or services;

- v. caused by the failure of Your Products or services to conform with advertised performance, quality, fitness or durability;
 - vi. failure of performance of any contract;
 - vii. infringement of any trade mark, service mark or trade name, but this shall not relate to titles or slogans;
 - viii. if Your Business is principally in advertising, broadcasting, publishing or telecasting.
- b. for Personal injury or Property Damage arising from:
- i. Your ownership, possession, cleaning, repair, maintenance, refuelling, operation, navigation or use of any Aircraft or hovercraft;
 - ii. Products that are Aircraft or designed or manufactured for the purpose of being Aircraft components;
 - iii. Products which You knew would be used as Aircraft components or used in the construction of any part of the hull or machinery of an Aircraft;
 - iv. Your ownership, operation, navigation or use of any Watercraft, but this exclusion will not apply to Watercraft less than eight metres in length which is under the control of a licensed and qualified person for the vessel, or to a Watercraft of any length which You do not own or operate, but which is chartered by You for Business entertainment.
- c. if it arises from professional advice or service You provided or failed to provide, but this exclusion will not apply to:
- i. advice or services by qualified medical practitioners, dentists, nurses, paramedics, and first aid attendants who are Your Employees and are employed by You to provide first aid and medical services to Your Employees at Your Location provided Your Business does not involve the provision of medical, dental or health care at Your Location;
 - ii. advice or services provided by You without charge;
 - iii. advice or services provided in relation to the use or storage of Your Products.
- d. if it arises out of an agreement or contract whereby You have agreed to effect insurance over property or accept liability for Personal injury, Property Damage or Advertising Liability, (including for payment of any damages, penalties or performance warranties), that You would not have had liability for if You had not entered into the agreement or contract;
- However, this exclusion will not apply to liability:
- i. arising out an Incidental Contract other than Your liability to insure any rented, hired or leased property;
 - ii. assumed by You in relation to the merchantability, quality, fitness or care of Your Products whether implied by law or statutes; or
 - iii. any agreement of a type referred to in General Condition, Release of Other Parties.
- e. for Property Damage to Your Products caused by a defect in the Products or their own harmful nature or unsuitability, but this exclusion will only apply to the defective, harmful or unsuitable part, and not to Property Damage to other parts of the Product.
- f. any liability:

- i. in respect of which You are or would be entitled to indemnity under any fund, scheme, Policy of insurance or self-insurance pursuant to or required by any legislation relating to workers' compensation whether or not such insurance has been effected;
- ii. imposed by the provisions of any industrial award or agreement or determination where such liability would not have been imposed in the absence of such industrial award or agreement or determination; or
- iii. relating to an Employment Practices Breach. For the purposes of this exclusion, Employment Practices Breach means:
 - any employment-related discrimination on any ground including but not limited to sex, age, religion, disability, race, colour, sexual orientation, marital status or pregnancy;
 - wrongful dismissal, discharge or termination of employment;
 - workplace or sexual harassment;
 - oral or written publication of material that slanders or libels an Employee;
 - breach of any oral, written or implied employment contract or misrepresentations as to terms of employment; or
 - denial of natural justice.
- g. for Property Damage to any part of any property that must be repaired, reconditioned or replaced by reason of incorrect work performed by You or on Your behalf, or by reason of materials or equipment which are or are proved to be defective or inadequate in connection with such work. But this exclusion shall not apply to Property Damage resulting from such work;
- h. for fines, penalties, punitive, liquidated or exemplary damages, aggravated damages or multiple damages, whether imposed on You through a court of law, legislation or under a contractual arrangement or otherwise;
- i. for loss of use of tangible property which has not been physically lost, Damaged or destroyed which is caused by:
 - i. Your failure to perform Your obligations under an agreement or contract on time, or at all;
 - ii. Your Products or work performed by You or on Your behalf failing to meet the level of performance, quality, fitness or durability warranted or represented by You, but this exclusion will not apply to the loss of use of other tangible property which occurs as a result of sudden and unexpected Damage or destruction of Your Products or work performed by You or on Your behalf after they have been put to their intended use by anyone other than You.
- j. for Damage to property in Your care, custody or control other than:
 - i. the Personal Property, cheques, Money, credit cards, and negotiable instruments of any of Your Directors, officers or Employees, clothing and Personal Property of any of Your visitors;
 - ii. property, (including Contents) tenanted, leased, hired or temporarily occupied by You in the conduct of Your Business
 - iii. any vehicle not owned or used by You or on Your behalf, including any Contents, while the vehicle is in any car park owned or operated by You in the course of Your Business, provided You do not charge for the car parking or operate the car park for profit;
 - iv. any other property which is not Yours, but which is lawfully in Your care, custody or control, except:
 - Property Damage to that part of any property upon which You are or have been working on and the loss arises directly from the performance of that work;

- any property for which You are obligated to insure, or;
- any property while in transit.

The most We will pay for any one Occurrence under this clause j. is the sub-limit amount shown in the Schedule.

- k. for liquidated damages, penalties or performance warranties imposed by any agreement, unless they would have been payable by You in the absence of the agreement;
- l. for Damage to Your own property;
- m. arising from any warranty or Product guarantee given by You or on Your behalf, unless the guarantee or warranty is required by law to be given;
- n. for the withdrawal, recall, inspection, repair, adjustment, removal, modification or Replacement of any property Your Products form a part of, or for the loss of use of Your Products, or any work completed by You or on Your behalf, after they have been recalled from sale or use by any party because of a known or suspected defect or deficiency in them;
- o. for Personal injury or Property Damage which arises from Your ownership, possession or use of a motor vehicle:
 - i. which is required by law to be registered; or
 - ii. for which compulsory liability insurance or statutory indemnity is required by virtue of any legislation, but this exclusion will not apply to:
 - iii. Personal injury where the insurance or indemnity does not cover You and the lack of cover is not because of a breach by You of any law or regulation;
 - iv. Personal Injury or Property Damage caused by the use of a tool, plant or equipment forming part of or attached to any motor vehicle or used in connection with a motor vehicle where applicable legislation does not require insurance against such liability;
 - v. Personal injury or Property Damage that occurs during the loading or unloading of any motor vehicle where the Personal Injury or Property Damage occurs beyond the limits of any carriageway or thoroughfare, and where applicable legislation does not require insurance against such liability.
- p. for Personal injury or Property Damage arising out of or in connection with any of Your Products sent to North America with Your knowledge;
- q. in connection with or in respect of asbestos or anything containing asbestos in any form or quantity, including in any way connected with investigation, testing or monitoring for, or preventing, removing, nullifying or cleaning up any asbestos, or involving any bodily injury, disease or illness related to asbestos;
- r. if it arises directly or indirectly out of or in connection with the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of or presence of "silica" or "silica-related dust" or any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralising, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by You or by any other person or entity.

"Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.

"Silica-related dust" means a mixture or combination of silica and other dust or particles.

- s. for Personal injury arising directly or indirectly out of or in connection with the actual, alleged, threatened or perceived sexual assault, sexual harassment or molestation of any person by You or any party for whom You may be vicariously liable. Further, We will not have any duty to defend any action, suit or proceedings brought against You or any other person;
- t. Personal injury or Property Damage caused by or arising from assault or battery committed by You or at Your direction unless reasonably necessary for the protection of persons or property. Further, We will not have any duty to defend any action, suit or proceedings brought against You or any other person.

This exclusion will not apply when such assault or battery is committed for the purpose of preventing or eliminating danger to persons or Property Damage.

- u. for liability for Personal injury arising directly or indirectly out of or in connection with any:
 - i. sporting or physical activities on or in water or snow, racing of any kind, aerial activities or equestrian activities;
 - ii. amusement involving bodily contact with persons and/or machines (amusement includes but is not limited to sumo wrestling, bar flying, arm wrestling and mud wrestling). Machines or devices means machines or devices designed to challenge the user to contests of strength and/or other physical skills;
 - iii. any ride or inflatable device;
 - iv. use of weapons of any kind;
 - v. use of explosives.
- v. for Personal injury or Property Damage which arises directly or indirectly out of or in connection with the actual, alleged, threatened or suspected Contamination, or any expense for testing or monitoring for, or preventing, treating, detoxifying, removing, nullifying or cleaning up any Contamination.

However, other than in relation to:

- i. preventing Contamination from the Location or any premises owned or occupied by You or on which You have property or conduct Your Business;
- ii. any Occurrence within North America;

this exclusion will not apply if the liability for, or expense incurred is consequent upon a sudden identifiable, unintended and unexpected Event from Your perspective, and which happens entirely at a specific time and place.

The most We will pay for any and all claims for Contamination in the aggregate during the Policy Period is the Public and Products Liability Limit stated in the Schedule.

- w. arising directly or indirectly out of or in connection with Your Internet Operations.

This exclusion will not apply to liability otherwise covered by this Policy which would have arisen irrespective of Your Internet Operations.

For this exclusion, Internet Operations includes but is not limited to, the following:

- i. use of electronic mail systems by You or Your Employees, including part-time and temporary staff, and others acting on Your behalf;
- ii. access through Your network to the world wide web or a public internet site by You or Your Employees, including part-time and temporary staff, and others acting on Your behalf;

- iii. access to Your intranet (meaning internal company information and computing resources) which is made available through the world wide web for Your customers or others outside Your organisation; or
- iv. the operation and maintenance of Your website.

Nothing in this exclusion shall be construed to extend coverage under this Section to any liability which would not have been covered in the absence of this exclusion.

- x. if it arises directly or indirectly out of or in connection with grinding, flame cutting, flame heating, brazing, hot welding or similar operation, unless such activity is conducted in strict compliance with all relevant laws, regulations, codes, standards and industry practices and a formalised hot work procedure or permitting process.
- y. caused or contributed by or arising directly or indirectly out of or in connection with:
 - i. the communication, display, distribution or publication of Electronic Data. But this exclusion does not apply to Personal injury or Advertising Liability;
 - ii. the total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data;
 - iii. an error in creating, amending, entering, deleting or using Electronic Data;
 - iv. the total or partial inability or failure to receive, send, access or use Electronic Data for any time or at all.

Conditions that apply to Section 4

1. Cross liability

Every entity or person who is an Insured under this Policy Section will be covered as if a separate Policy had been issued to each of them, and each Insured is covered against claims made by any other Insured, subject to all the terms, conditions, exclusions and definitions of this Policy, provided that nothing in this clause results in the increase of the Limit or Supplementary Benefits in respect of any Occurrence.

2. Defective products

You shall take reasonable steps, at Your own expense, to withdraw, inspect, repair, replace, trace, recall or modify any Product containing any defect or deficiency You are aware of or have reason to suspect.

3. Release and subrogation - government authorities

Regardless of Our rights of recovery under the Claims Procedures and Conditions, You may without prejudicing Your position under this Section 4 release any statutory governmental, semi- governmental or municipal authority from any liability if required at law, including by contractual agreement. We shall waive any subrogation rights, remedies or relief to which We are or may become entitled against that authority in the event of any Occurrence for which a claim may be made under this Section 4.

Section 5 Management Liability Section

Important Notice: 'Claims made and notified'

Part A & B of this Section provide 'Claims made and notified' cover and will only respond to Claims first made against You or an Insured Person during the Policy Period and notified to Us during the Policy Period.

To the extent permitted by law, We will not pay for any Claim that You notify Us of after the Policy Period has expired.

Cover types

We will only provide cover under this Section 5 if cover for Management Liability is shown in the Schedule as "Covered". You must also pay Us the premium We request for cover under this Section. If You do not pay Your premium, You will not have cover under this Section 5. If You have not selected Section 4 Public and Products Liability cover, You will not have cover under this Section 5 Management Liability.

Your cover under Section 5 is subject to the General Definitions, General Exclusions, General Conditions, Claims Procedures and Conditions, and any of the Definitions, Exclusions and Conditions contained in this Section.

The cover for Management Liability under this Section 5 consists of three (3) sub-sections. They are:

Part A – Directors and Officers Liability

Part B – Employment Practices Liability

Part C – Tax Audit.

You are covered for all three sub-sections if cover for Management Liability is shown in the Schedule as "Covered".

Definitions that apply to Parts A & B of Section 5

Claim(s) means:

- a writ, statement of claim, summons, application or other originating legal or arbitral process, cross claim, counter-claim or third or similar party notice for compensation or non-monetary relief;
- a written assertion of a right to, or a demand for, compensation or non-monetary relief;
- a formal administrative or regulatory proceeding including any arbitration, mediation, conciliation or alternative dispute resolution proceeding; or
- any criminal proceeding.

Discovery Period means the period of time after the end of the Policy Period where You may continue to notify Us of a Claim but only in relation to Management Wrongful Acts or Employment Practices Breaches committed prior to or during the Policy Period.

Employee means any natural person who is Your past present or prospective employee, including any full time, part time, casual, secondee or volunteer. Provided that the term "employee" shall not mean independent contractors, consultants, or Your agents or their respective employees, including employees of labour hire companies.

Employment Practices Breach means any employment-related:

- discrimination on any ground including but not limited to sex, age, religion, disability, race, colour, sexual orientation, marital status or pregnancy;

- wrongful dismissal, discharge or termination of employment;
- workplace or Sexual Harassment;
- oral or written publication of material that slanders or libels an Employee or violates or invades an Employee's right of privacy;
- breach of any oral, written or implied employment contract or misrepresentations as to terms of employment;
- wrongful refusal to employ; or
- demotion, failure to promote, deprivation of career opportunity, refusal of tenure, unfair evaluation or disciplinary action, in respect of Your Employee.

Insured Person means:

- any natural person who is now or will be Your Director, company secretary, Officer or Employee, or any person who was or now is or will become a trustee of a superannuation fund established for the benefit of Your Employees and whether or not validly appointed to occupy or duly authorised to act in such position;
- any person who by virtue of any applicable legislation or law is deemed to be Your Director. Provided that the term "Insured Person" shall not include:
 - any externally appointed Officers such as administrators, receivers, statutory managers, liquidators, mortgagees in possession, or the like; or
 - any registered company or corporation.

Management Wrongful Act(s) means;

- for Individual Cover and Your Reimbursement, any breach of duty, breach of trust, act, error, omission, neglect, misstatement, misleading statement or breach of warranty of authority actually or allegedly committed or attempted by Insured Persons in their capacity as a Director, company secretary or Officer of the Insured named in the Schedule.
- for Your Liability Cover, any breach of duty, breach of trust, act, error, omission, neglect, misstatement, misleading statement actually or allegedly committed or attempted by the Insured named in the Schedule in connection with Your Business.

It does not include an Employment Practices Breach committed by an Insured Person while acting in their capacity as an Insured Person of You.

Officer means any of Your Employees who are concerned in, or take part in, the management of Your Business, regardless of the name that is given to their position, including the company secretary.

Official Inquiry means any official investigation, examination, inquiry ordered or commissioned by a statutory body or institution, and:

- which the Insured Person is legally compelled to attend; and
- which has as its subject matter Your affairs or the conduct of an Insured Person in that capacity, or the conduct of the Business; and
- notice of which is first served on the Insured Person and notified to Us during the Policy Period.

Securities means any shares, preference shares, stocks, debentures, warrants, options, bonds, promissory notes or other equity or debt security.

Third Party means any natural person or entity other than You. For the sake of clarity, a third party can include a client.

Exclusions that apply to Parts A & B of Section 5

We shall not be liable under Parts A & B of this Section for any loss for any Claim:

1. Bodily injury & property damage

for physical injury, sickness, death, disease or mental injury or anguish, nervous shock or emotional distress of any person or destruction of or damage to tangible property including the loss of use of it.

This exclusion will not apply to any Claim based on an Employment Practices Breach to the extent it alleges mental injury, mental anguish or emotional distress, or to the additional benefit to Part A of this Section "Workplace Health and Safety Laws".

2. Geographical limits

arising from, attributable to or in any way connected with any conduct occurring, in whole or part outside of Australia.

3. Insolvency

arising directly or indirectly from or is in any way connected to the Financial Impairment, bankruptcy, insolvency, receivership or administration of the Insured, any associated company, or any non profit entity.

For this exclusion, Financial Impairment means *Your* status resulting from the appointment by any governmental official, agency of court of any receiver, manager, liquidator (including a provisional liquidator), or similar official to take control of, supervise, manage or liquidate the Insured;

- a. going into bankruptcy, administration, receivership, liquidation, or insolvency; or
- b. entering into a scheme of arrangement, a debt agreement or other agreement or arrangement with creditors; or
- c. being unable to pay debts as and when they fall due.

4. Jurisdiction

brought in a court outside Australia, or brought in a court within Australia to enforce a judgement handed down in a court outside Australia.

5. Known, prior or pending claims

arising from, attributable to or in any way connected with:

- a. any facts, circumstances or Occurrences:
 - i. noted on the proposal or online application for the current Policy Period or on any previous proposal to any insurer or of which notice had been given to any insurer under any previous Policy, however expressed; or
 - ii. of which You were aware prior to the commencement of the Policy Period and knew (or ought reasonably to have realised) may give rise to a Claim; or

- b. any intimidation, complaint or allegation of any conduct or Management Wrongful Act or an Employment Practices Breach that might give rise to any relief, in any way known to You prior to the commencement of the Policy Period; or
- c. any written notice of an Official Inquiry of which You were aware of prior to the Policy Period; or
 - i. any civil, criminal, administrative or regulatory proceeding, investigation, arbitration or adjudication of which You were aware prior to the Policy Period, or derived from essentially the same facts.

6. Pollution

arising from, attributable to or in any way connected with directly or indirectly the actual, alleged or threatened dispersal, release or escape of Pollutants into or upon real or personal property, the atmosphere, any water course or body of water, including but not limited to any enforcement action or proceeding in connection with the containment, clean up, removal, treatment or monitoring of such Pollutants, or seepage, Pollution or Contamination however it occurs.

7. Securities offering

arising from, attributable to or in any way connected with a public offering, solicitation, sale, distribution or issuance of Securities, whether or not a disclosure document has been issued.

8. Crime and social engineering fraud

for loss of Money arising from Theft, including by means of Social Engineering Fraud.

9. Electronic data

arising from, attributable to, or in any way connected with:

- a. the unauthorised communication, display, distribution or publication of Electronic Data;
- b. total or partial destruction, distortion, erasure, corruption, alteration, misuse, misinterpretation or misappropriation of Electronic Data;
- c. error in creating, amending, entering, deleting or using Electronic Data; or
- d. 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.

10. Acts prior to retroactive date

for acts, errors or omissions actually or allegedly committed prior to the retroactive date of the Policy (if such a date is specified in the Schedule).

Conditions that apply to Parts A & B of Section 5

1. Allocation of Loss

- a. Where any liability or amount has been jointly, or jointly and severally, incurred as between You and any other uninsured person or entity, Our liability under the Policy shall be the proportion of that liability or amount which represents a fair and equitable allocation between You and the other uninsured person or entity, taking into account the relative legal and financial exposures of, and the relative benefits obtained in any settlement by, You and the other person or entity in or as a result of the Claim or Official Inquiry.
- b. Where any liability or amount is incurred in respect of any Claim or Official Inquiry which arises from both matters covered and matters not covered by the Policy, Our liability under the Policy is limited to the

proportion of that liability or amount which represents a fair and equitable allocation taking into account the relative legal and financial exposures attributable to covered matters and matters not covered under the Policy.

- c. While the proportion of Defence Costs to be advanced under the Policy remains disputed and undetermined, We shall advance that proportion of Defence Costs which We consider represents a fair and equitable allocation. The allocation finally agreed or determined shall be applied retrospectively to any Defence Costs incurred prior to agreement or determination but shall not be a presumption as to other loss covered by the Policy.

2. Alteration to risk

You must notify Us as soon as practicable of any material alteration to risk during the Policy Period that You know or ought to reasonably have known is relevant to Our decision to insure You and the terms on which We will insure You, including but not limited to:

- a. You consolidating with or merging into or selling all or substantially all of Your assets to any other person or entity or group of persons and/or entities acting in concert; or
- b. any person or entity, whether individually or together with any other person or persons, entity or entities becomes entitled to exercise more than 50% of the rights to vote at Your general meetings or control the appointment of Directors who are able to exercise a majority of votes at Your board meetings; or
- c. You going into voluntary bankruptcy, receivership, liquidation or administration; or
- d. You entering into a scheme arrangement, debt agreement or arrangement with creditors; or
- e. any public offering of Your Securities; or
- f. the cancellation or suspension of, or the imposing of specific conditions upon, any statutory licence or registration You or an Insured Person is required to hold at law in order to conduct Your Business.

3. Assignment

You must not assign the Policy, or any rights under the Policy, without Our prior written consent by way of endorsement to the Policy. We will not unreasonably withhold Our consent.

4. Claim settlement

If You disagree with a Claim settlement recommended by Us, You may elect to contest such Claim. However, Our liability in respect of the Claim shall not exceed the amount for which the Claim could have been so settled plus the Defence Costs and any other covered Loss incurred up to the date of such election.

5. Conduct of defence/settlement

- a. Unless otherwise agreed, We shall be entitled at any time to, having regard to Your interests and acting reasonably, take over and conduct in Your name the investigation, defence and/or settlement of any Claim or legal representation at an Official Inquiry.
- b. You shall not, without Our prior written consent:
 - i. make any offer or admit liability for or settle any Claim or Official Inquiry. If You do, We may reduce or refuse Your Claim to the extent We are prejudiced by Your admission or settlement; or
 - ii. incur any defence costs or legal representation costs; or
 - iii. assume any liability or obligation for any Loss for which indemnity is sought under the Policy; or

- iv. forego, waive, exclude or limit any rights of indemnity or recovery;
- c. We may reduce or refuse to pay for any Loss, settlement or other liability assumed, or costs and expenses incurred by You to the extent that We are prejudiced by such offer, payment, admission, Loss, settlement made or costs or expenses incurred without Our consent. To ensure You are covered, please contact Us before incurring any liability, costs or expenses.
- d. If We assume the conduct of the defence of a Claim or representation at an Official Inquiry and We carry out any investigation regarding such Claim or Official Inquiry without prejudice to the question of indemnity until sufficient facts and information are available to make a decision on the question of indemnity, this does not:
 - i. indicate an Insured is entitled to indemnity under the Policy, or
 - ii. waive or prejudice Our rights (if any) under the Policy.

6. Confidentiality

You or an Insured Person may not disclose to any other party that You have paid, or agreed to pay, a premium for the Policy. You or an Insured Person must not otherwise disclose to any other party any terms of the Policy, including but not limited to the Limit, the cover and the exclusions except to the extent that:

- a. disclosure of the terms of the Policy is required by law;
- b. disclosure is to legal advisors for the purposes of You obtaining Policy claims advice; or
- c. We may consent in writing to disclosure of the terms of the Policy.

7. Co-operation and mitigation

- a. You shall, at Your own cost, immediately provide Us such assistance and information as We may reasonably require to enable Us to determine whether or not You are entitled to an indemnity under the Policy, and to enable Us to investigate and defend any Claim, including representation of You or any Insured Person at an Official Inquiry, or investigate any other Claim for indemnity under the Policy.
- b. You shall, at Your own cost, diligently do all things reasonably practicable to avoid or minimise any Loss payable under this Policy.

8. Defence costs within limit

Defence Costs are part of and not in addition to the Limit for Part A Directors and Officers Liability and Part B Employment Practices Liability of this Section.

9. Notification

You must notify Us of any Claim made against You or Official Inquiry notified to You, during the Policy Period as soon as practicable and during the Policy Period or Discovery Period, if applicable.

You must give notice of any Claim or Official Inquiry, or other matter to Us in writing.

Part A – Directors and Officers Liability

What is covered under Part A of Section 5

1. Individual cover

We will pay to or on behalf of the Insured Person all Loss resulting from a Claim against the Insured Person for any Management Wrongful Act, except to the extent that You are not legally permitted and have not agreed to indemnify the Insured Person. This cover only applies where the Claim is first made during the Policy Period and reported to Us in the Policy Period, or Discovery Period if applicable.

2. Your reimbursement cover

We will pay to You or on Your behalf all Loss resulting from a Claim against the Insured Person for any Management Wrongful Act to the extent that You are legally permitted and have agreed to indemnify the Insured Person. This cover only applies where the Claim is first made during the Policy Period and reported to Us in the Policy Period, or Discovery Period if applicable.

3. Your liability cover

We will pay to or on Your behalf all Loss resulting from a Claim against You for any Management Wrongful Act. This cover only applies where the Claim is first made during the Policy Period and reported to Us in the Policy Period, or Discovery Period if applicable.

4. Legal representation costs

In respect of any Official Inquiry, We will pay legal representation costs of the Insured Person to or on behalf of:

- a. the Insured Person where You are not legally permitted and have not agreed to indemnify the Insured Person for such legal representation costs; or
- b. You where You are legally permitted and have agreed to indemnify the Insured Person for such legal representation costs.

This cover only applies where the notice compelling the Insured Person's attendance at the Official Inquiry is first served on the Insured Person in the Policy Period, or Discovery Period, if applicable.

5. Excess of limit for all insured persons

In the event that the Limit stated in the Schedule and all other indemnification available to an Insured Person is exhausted, We will automatically extend cover under this Policy for Part A Insuring Clauses 1. Individual Cover, 2. Your Reimbursement Cover and 4. Legal Representation Costs up to the "Excess of Limit" as outlined below. This cover is only available where there is no other source or sources of indemnification available to the Insured Person.

This "Excess of Limit" cover is subject to the Limit stated in the Schedule in the aggregate for all Insured Persons during the Policy Period.

Definitions that apply to Part A of Section 5

Bail and Civil Bond Expenses means the premium (but not collateral) for a bond or other financial instrument to guarantee the contingent obligation of an Insured Person for a specified amount required by a court hearing a Claim.

Crisis, Crises means any of the following unforeseen events where, in the reasonable opinion of Your managing Director (or equivalent) the event has the potential to cause an immediate and serious effect on Your Business of greater than 20% of Your total annual consolidated revenues, if left unmanaged:

- the sudden, unexpected death or disability of any Director or Officer;
- the sudden loss of a major customer, contract or credit facility;
- Employee workplace violence;

- the first apparent unauthorised intrusion into Your computer facilities;
- a recall or boycott of any Product;
- a man made disaster; or
- any criminal or fraud investigation.

Crisis is not an event that affects generally the industry in which You conduct Your Business.

Joint Venture means any unincorporated enterprise undertaken jointly by You with a Third Party.

Loss means the amount You and/or an Insured Person is legally liable to pay including but not limited to damages, judgments, interest, claimant's costs and expenses and settlements entered into with Our prior written consent.

Media Costs means reasonable fees and expenses of a public relations firm which You and/or an Insured Person engages with Our prior written consent (not to be unreasonably withheld) for the purpose of preventing or limiting potential adverse or negative publicity in respect of a covered Claim or Official Inquiry.

Non-executive Director means:

- any natural person who was or is or during the Policy Period becomes a member of Your board; and
- who within the last three years:
 - has not served as an executive Director for You; and
 - has not been one of Your Employees; and
 - has not received, either directly or indirectly from You, money or benefits of any kind for services given in any capacity except as a Director of You.

Retired Director or Officer means a Director or Officer of Your Business who has ceased to hold any such office prior to the expiry of the Policy Period, for any reason other than disqualification, and who has not assumed any similar office with You.

Spouse means any lawful spouse, civil partner or person deriving a similar status by reason of statute or common law.

Transaction is where:

- You consolidate with or merge into or sell all or substantially all of Your assets to any other person or entity or group of persons and/or entities acting in concert; or
- any person or entity, whether individually or together with any other person or persons, entity or entities becomes entitled to exercise more than 50% of the rights to vote at Your general meetings or control the appointment of Directors who are able to exercise a majority of votes at Your Board meetings.

Limit, sub-limits and deductibles that apply to Part A of Section 5

1. Limit

Our total liability for all Claims under Part A of this Section shall not exceed the Limit stated in the Schedule.

Any number of Claims against, or Official inquiries involving, You and/or an Insured Person which arose out of or are attributable to or connected in any way with a single Management Wrongful Act or the same conduct or a series of the same, related, interconnected or continuous Management Wrongful Acts or conduct shall constitute

a single Claim or Official Inquiry for the purpose of Part A of this Section. Where there is more than one such Claim, all such Claims shall be deemed first made when the earliest such Claim was first made.

For the purpose of this clause, an Official Inquiry is deemed to be a Claim, even if there is no Management Wrongful Act alleged.

2. Deductible

Our liability under Part A of this Section shall apply only to that part of each Loss which exceeds the Deductible as set out in the Schedule for Part A of this Section. Such Deductible shall be borne by You and shall remain uninsured.

The Deductible with respect to a Claim is inclusive of Defence Costs.

The Deductible payable under Part A of Section 5 is shown in the Schedule, and applies to each and every Claim, unless stated to the contrary.

Where We make a payment in respect of a Claim, including for Defence Costs, which includes payment of part or all of the Deductible, You shall within 30 days of being notified by Us, reimburse Us for the amount of the Deductible paid by Us on Your behalf.

Additional benefits to Part A of this Section 5

1. Automatic reinstatement of the limit for non-executive directors

In the event the Limit and all other indemnification available to a Non-executive Director is exhausted, We will reinstate the Limit once, provided that this provision is only available to an Insured Person to the extent an Insured Person is a Non-executive Director of You.

2. Bail and civil bond expenses

We agree to pay to You or on Your behalf the Bail and Civil Bond Expenses for a period not exceeding 12 months. You must obtain Our prior written consent, which shall not be unreasonably withheld. Our maximum liability, for all such Loss for all Insured Persons, is sub-limited to the Limit stated on the Schedule in the aggregate in any one Policy Period.

No Deductible applies to this additional benefit.

3. Spousal liability

If a Claim against an Insured Person includes a Claim against an Insured Person's Spouse solely by reason of:

- a. their legal status as a Spouse of an Insured Person; or
- b. ownership or interest in property which the claimant seeks as recovery for alleged Management Wrongful Acts of an Insured Person then:
 - i. all Loss that the Spouse becomes legally obligated to pay by reason of the Claim will be treated for purposes of Part A of this Section as Loss which an Insured Person becomes legally obligated to pay on account of the Claim made against an Insured Person;
 - ii. all terms and conditions of Part A of this Section, including without limitation the Deductible if any, applicable to Loss incurred by an Insured Person in the Claim will also apply to such spousal Loss; and
 - iii. the cover provided by this additional benefit does not apply to the extent the Claim alleges any act or omission by an Insured Person's Spouse.

4. Retired director or officer

We agree to indemnify any Retired Director or Officer for Claims made against, or official inquiries involving, such persons during the 84 months immediately following the expiry of this Policy Period, provided that:

- a. the Policy is not renewed or replaced with any other Policy affording Directors and Officers or management liability cover; and
- b. a Discovery Period (other than the 30 day automatic Discovery Period) is not invoked.

5. Workplace health and safety laws

Notwithstanding Exclusion 1. “Bodily Injury & Property Damage”, under exclusions applicable to Part A and B of this Section, We will pay Defence Costs in respect of any Claim for a Management Wrongful Act, or legal representation costs in respect of an Official Inquiry, involving conduct which, if established, would constitute a breach of Workplace Health and Safety legislation, unless prohibited at Law. For the sake of clarity this additional benefit does not apply to workers’ compensation claims.

Extra Covers to Part A of this Section 5

1. Advancement of defence costs

We shall advance Defence Costs for a Claim or costs for an Official Inquiry, as incurred with Our prior written consent, within a reasonable time of receiving an invoice from defence counsel and prior to final disposition or adjudication.

If it is not possible for You and/or an Insured Person to obtain Our consent prior to incurring of Defence Costs or costs for an Official Inquiry, We will waive prior consent as long as Our consent is obtained within 15 days of such costs or expenses first being incurred.

If at any time a Claim or Official Inquiry, or part thereof, is determined by Us to be outside the scope of indemnity provided by Part A of this Section, including as determined pursuant to Specific Conditions applicable to Part A & B of this Section “1. Allocation of Loss”, We reserve the right to recover any Defence Costs or costs for an Official Inquiry paid under this extra cover from You to the extent that You were not entitled to indemnity under Part A of this Section.

However, if and to the extent that You and/or an Insured Person are not entitled to cover for Loss under the terms of Part A of this Section, then We will cease to make any such advances and any amounts previously advanced shall be repaid to Us by You and/or an Insured Person, according to Your and/or an Insured Person’s respective rights and interests.

If a Claim alleges a Management Wrongful Act, or illegal or improper conduct, as described in the Specific Exclusions applicable to Part A of this Section “Dishonesty or Improper Conduct”, then We will advance Defence Costs in respect of such Claim until an admission by You, a final judgement or other final adjudication that You did in fact commit such Management Wrongful Act or engage in such conduct.

2. Continuous cover

Regardless of Specific Exclusions applicable to Part A & B of this Section “5. Known, prior or pending Claims”, We will provide cover under this Section Part A for Loss from Claims arising from facts known to You and/or an Insured Person prior to the Policy Period, provided that:

- a. You and/or an Insured Person first became aware of the facts that gave rise to the Claim prior to Policy Period; and
- b. You and/or an Insured Person have maintained uninterrupted coverage with Us since You first became aware of the fact that gives rise to the Claim; and

- c. Part A of this Section of the Policy is a replacement or renewal of the Policy You and/or an Insured Person held with Us when You and/or an Insured Person first became aware of the fact that gave rise to the Claim in accordance with clause a. above; and
- d. there has been no fraudulent non-disclosure or fraudulent misrepresentation by You and/or an Insured Person.

The cover provided under this extra cover will be in accordance with the terms of Part A of this Section of the Policy.

3. Court attendance reimbursement

Where an Insured Person is legally compelled to attend court to give evidence in connection with a Claim covered by the Policy, We agree to pay the daily amount stated in the Schedule in respect of that Insured Person's attendance. The sub-limit of indemnity for all payments in the aggregate under this extra cover is the amount stated in the Schedule for all Insured Persons in any one Policy Period.

No Deductible applies to this extra cover.

4. Crisis management costs

We agree to pay to You or on Your behalf the reasonable costs and expenses paid by You for external crisis management services provided in response to a Crisis within the first 30 days after the Crisis. The entity or person providing the services, and their fees and expenses, must first be approved by Us. We are not liable for any fees and expenses incurred by You without Our prior approval, not to be unreasonably withheld. Please contact Us to confirm approval of these costs.

The sub-limit of indemnity for this extra cover for all such costs and expenses in respect of all Crises, is the amount stated in the Schedule in any one Policy Period.

No Deductible applies to this extra cover.

5. Fines & penalties cover

We agree to cover as Loss, to the extent permitted by law, any fines and penalties imposed upon You and/or the Insured Person in the jurisdictions of, and under the laws of, Australia on account of any Claim, with the exception of fines and penalties:

- a. which are uninsurable at law; or
- b. arising directly or indirectly from a requirement to pay taxes, duties, rates, levies, charges, fees or any other revenue raising measure; or
- c. imposed where You and/or the Insured Person knew, or where a reasonable person ought reasonably to have known, prior to the Policy Period that You and/or the Insured Person had committed an offence under law; or
- d. imposed pursuant to any law regulating air, marine or vehicular traffic; or
- e. imposed by reason of conduct has been reckless, grossly negligent or a knowing violation of any law or regulation.

In the event of any conflict between this extra cover and the Specific Exclusions applicable to Part A & B of this Section "1. Bodily Injury & Property Damage", "2. Geographical limits" and "6. Pollution" and the Additional benefits to Part A of this Section "5. Workplace Health and Safety Laws this additional benefit shall apply.

The total payable under this extra cover shall not exceed the amount stated in the Schedule in the aggregate combined for You and all Insured Persons in any one Policy Period.

6. Joint venture liability

We agree to extend cover to Claims resulting from Your participation in any Joint Venture provided that:

- a. the cover given will only relate to Your proportion of any liability incurred by such Joint Venture; and
- b. Your income derived from participation in such Joint Venture shall have been included in the calculation of income furnished by You for the purposes of calculating the premium for this Policy.

7. Media costs

We agree to pay Your Media Costs or Media Costs of any Insured Person against which or whom a Claim is made and which is covered by the Policy. The sub-limit of indemnity for all payments under this extra cover is the amount stated in the Schedule in the aggregate for all Claims combined for You and all Insured Persons in any one Policy Period.

No Deductible applies to this additional benefit.

8. Discovery period

An automatic Discovery Period of 30 days is provided in some circumstances. Refer to Optional Cover applicable to Part A of this Section "1. Discovery Period" below for details of the circumstances, terms and conditions applicable to this extra cover.

Optional Cover applicable to Part A of this Section 5 Discovery Period

If We refuse to offer any renewal terms for the Policy at the end of the Policy Period for any reason other than non-payment of premium or fraudulent nondisclosure or misrepresentation, then You shall be entitled to:

- a. an automatic Discovery Period of 30 days with no additional premium payable; or
- b. purchase a Discovery Period of 12 months, upon Your written request to do so within 30 days following the end of the Policy Period at an additional premium determined by Us.

If a Transaction occurs, You may purchase the Optional Cover of a Discovery Period of up to 72 months. This is at Our discretion (acting reasonably), and conditional upon:

- a. Your written request to do so as soon as reasonably possible following the end of the Policy Period or the effective date of the Transaction, whichever is the earlier; and
- b. payment of the additional premium determined by Us within 30 days of Our request for the additional premium; and
- c. the Policy not being replaced by any other Policy or policies affording substantially the same cover as the Policy.

If a Discovery Period is effected, We will issue You with a Policy endorsement confirming the applicable Discovery Period and any additional premium payable. If a Discovery Period is effected, the Limit stated in the Schedule shall not be increased in any way. A Discovery Period may not be cancelled by You and the additional premium for a Discovery Period is not refundable.

Specific Exclusions that apply to Part A of Section 5

We shall not be liable under this Part A of this Section for any Loss for any Claim:

1. Asbestos

directly or indirectly arising out of, resulting from or in consequence of, or in any way involving asbestos, or any materials containing asbestos in whatever form or quantity.

2. Silica

if it arises directly or indirectly out of or in connection with the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of or presence of "silica" or "silica-related dust" or any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralising, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by You or any Insured Person or by any other person or entity.

"Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.

"Silica-related dust" means a mixture or combination of silica and other dust or particles.

3. Consensual claims

made, brought or maintained by or on behalf of any person or entity with the solicitation, co-operation or assistance of any Insured Person.

4. Dishonesty or improper conduct

which involves You and/or the Insured Person:

- a. committing or permitting any criminal, fraudulent, dishonest or malicious act;
- b. knowingly, wilfully or recklessly violating any obligation, contract, law or regulation;
- c. gaining any personal profit or advantage to which You and/or the Insured Person were or was not legally entitled;
- d. having been improperly involved in any Securities transaction by using information that is/was not available to other sellers or purchasers of such Securities.
- e. having been improperly involved in any Securities transaction by using information that is/was not available to other sellers or purchasers of such Securities; or
- f. engaging in any conduct, breach or contravention which is subject to the prohibition in Section 199B of the Corporations Act 2001 (Cth).

This exclusion will only apply where the conduct in question has been established by admission, agreement, or court judgement. No fact pertaining to conduct of, or knowledge possessed by, You and/or an Insured Person will be imputed to any other Insured Person and/or You to determine whether any part of this exclusion applies.

This exclusion shall not apply in relation to Defence Costs, or legal representation costs, in respect of additional benefit of Part A of this Section 5. Workplace Health and Safety Laws or Extra Covers to Part A of this Section 5. Advancement of Defence Costs.

5. Employment practice breaches

arising from, attributable to or in any way connected with an Employment Practices Breach.

6. Restrictive trade practices

resulting from Claims against You and/or an Insured Person arising directly or indirectly from or in respect of any alleged or actual restrictive trade practices including but not limited to, Part IV of the Competition and Consumer Act 2010 (Cth) or tortious interference with any other party's business or contractual relationship.

7. You versus insured person

brought or maintained by You. This exclusion does not apply to:

- a. Defence Costs of any Insured Person; or
- b. any Claim:
 - i. by a liquidator, administrator or receiver; or
 - ii. arising from a shareholder derivative action, which has been brought or maintained without the solicitation or participation of any Insured Person.

8. Breach of professional duty

arising from:

- a. the rendering or failure to render professional services and/or professional advice; or
- b. a breach or alleged breach of any contract for the provision of professional services and/or professional advice.

9. Major shareholders

directly or indirectly brought or maintained by or on behalf of any of Your shareholders:

- a. where, at the time of the Management Wrongful Act, such shareholder held (20%) or more of Your issued share capital either directly or beneficially; or
- b. where, at the time of the Management Wrongful Act, the shareholder had any representation on Your board of Directors.

Specific Exclusions relating to Your Liability Cover

In addition to the Specific Exclusions applicable to Part A of this Section, We will not pay for any Loss under "Your Liability Cover" in respect of any Claim directly or indirectly:

- a. arising from or attributable or related to any actual or alleged breach of any law, whether statutory, regulatory or common law, relating to any trust, business competition, price fixing, unfair or restrictive trade practice or tortious interference in any other party's business or contractual relationships;
- b. in respect of any actual or alleged misappropriation, plagiarism or infringement of any trade mark, trade secret, patent, copyright or any other intellectual property rights;
- c. arising out of any actual or alleged violation of any responsibilities, obligations or duties protecting or regulating any superannuation, pension or similar fund;
- d. arising from, attributable to or in any way connected with any actual or alleged trading or business debt incurred by You or any guarantee given by an Insured Person for any debt;

- e. arising from, attributable to or in any way connected with any duty, obligation or liability assumed by You under any contract, warranty, guarantee or indemnity, unless such duty, obligation or liability would have existed in the absence of such assumption;
- f. arising from or attributable or related to any actual or alleged obligation pursuant to any law, regulation, industrial agreement in respect of workers compensation, workplace health and safety, disability benefits, unemployment benefits or compensation, retirement benefits, social security benefits or any similar law or regulation whatsoever; or
- g. arising from or attributable or related to any actual or alleged breach of any environmental protection legislation or regulation whatsoever.
- h. arising from, attributable to, or in any way connected with:
 - i. the unauthorised communication, display, distribution or publication of Electronic Data;
 - ii. total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data;
 - iii. error in creating, amending, entering, deleting or using Electronic Data; or
 - iv. 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.

Part B – Employment Practices Liability

What is covered under Part B of Section 5

1. Employment practices breach

We will pay to You or on Your behalf all Loss resulting from a Claim against You for any Employment Practices Breach. This cover only applies where the Claim is first made during the Policy Period and reported to Us in the Policy Period.

2. Third party discrimination and sexual harassment cover

We will pay to You or on behalf of You all Loss resulting from a Claim made by a Third Party against You for Discrimination or Sexual Harassment, up to the sub-limit stated in the Schedule in the aggregate for all Claims during the Policy Period.

This cover only applies where the Claim is first made during the Policy Period and reported to Us in the Policy Period.

Definitions that apply to Part B of Section 5

Discrimination means discrimination as a result of race, religion, sex, marital status, age, intellectual impairment, disability or otherwise (unless insurance thereof is prohibited by law).

Employment Benefits means, but is not limited to:

- non-monetary benefits to the allocation of a company car, travel allowance, mobile or landline telephone, medical or life insurance expenses, education and training allowances, and equipment allowances;
- stock, shares, stock options, share options or any entitlement or right under any employee plan of any description;

- participation in any stock, share option or share option plan, or participation in any employee plan of any description;
- severance or redundancy payments or entitlements;
- any benefit, payment or entitlement of any kind in respect of paid or unpaid leave;
- bonus or incentive payments, or any entitlement or right under a bonus or incentive plan (which, for the avoidance of doubt, does not include any payments, entitlement or right under any commission scheme);
- payments or contributions in respect of any provident, benefit, superannuation, pension or retirement fund, or any other account, fund, scheme or plan intended to provide benefits, in whole or in part, at retirement or a particular age, or on the happening of a particular event; or
- any amount You pay or are ordered to pay pursuant to any determination or settlement in respect of an allegedly unfair contract, notwithstanding that You acted in accordance with the terms of the employment contract.

Loss means any amount which You become legally obligated to pay on account of any Claim made during the Policy Period. Such Claim must be made against You for an Employment Practices Breach or Discrimination or Sexual Harassment for which cover applies, including, but not limited to damages, judgments settlements and Defence Costs. But Loss does not include:

- any amount for which You are absolved from payment;
- taxes, fines or penalties imposed by law;
- the multiple portion of any multiplies damage award or punitive or exemplary damages; or
- any other amount which is uninsurable under the law pursuant in relation to the cover provided buy Part B of this Section.

Sexual Harassment means any unwelcome sexual conduct, advances, contact or communications including requests for sexual favours.

Limit, sub-limits and deductibles that apply to Part B of Section 5

1. Limit

Our total liability for all Claims under Part B of this Section shall not exceed the Limit stated in the Schedule.

Any number of Claims against, or Official Inquiries involving, You and/or an Insured Person which arose out of or are attributable to or connected in any way with a single Employment Practices Breach or Discrimination or Sexual Harassment or the same conduct or a series of the same, related, interconnected or continuous Employment Practices Breaches or Discrimination or Sexual Harassments or conduct shall constitute a single Claim or Official Inquiry for the purpose of Part B of this Section.

For the purpose of this clause, an Official Inquiry is deemed to be a Claim, even if there is no Employment Practices Breach or Discrimination or Sexual Harassment alleged.

Where there is more than one such Claim, all such Claims shall be deemed first made when the earliest such Claim was first made.

2. Deductible

Our liability under Part B of this Section shall apply only to that part of each Loss which exceeds the Deductible as set out in the Schedule for Part B of this Section. Such Deductible shall be borne by You and shall remain

uninsured.

The Deductible with respect to a Claim is inclusive of Defence Costs.

The Deductible payable under Part B of Section 5 is shown in the Schedule, and applies to each and every Claim, unless stated to the contrary.

Where We make a payment in respect of a Claim, including for Defence Costs, which includes payment of part or all of the Deductible, You shall within 30 days of being notified by Us, reimburse Us for the amount of the Deductible paid by Us on behalf of You.

Optional Cover that applies to Part B of Section 5

Discovery Period

If We refuse to offer any renewal terms for the Policy at the end of the Policy Period for any reason other than non-payment of premium or fraudulent nondisclosure or misrepresentation, then You shall be entitled to:

- a. an automatic Discovery Period of 30 days with no additional premium payable; or
- b. purchase of the Optional Cover of a Discovery Period of 12 months, upon Your written request to do so within 30 days following the end of the Policy Period at an additional premium determined by Us.

If a Discovery Period is effected, We will issue You with a Policy endorsement confirming the applicable Discovery Period and any additional premium payable. If a Discovery Period is effected, the Limit stated in the Schedule shall not be increased in any way. A Discovery Period may not be cancelled by You and the additional premium for a Discovery Period is not refundable.

Specific Exclusions that apply to Part B of Section 5

We shall not be liable under this Part B of this Section for any Loss for any Claim:

1. Employment benefits

in connection with employment benefits.

2. Industrial action

- a. involving a lockout, strike, picket line, stand down, related worker replacement(s) or other similar actions resulting from industrial disputes or negotiations; or
- b. involving industrial disputes other than industrial disputes relating to an unfair dismissal comprising an application by an Employee on the basis that termination of employment is harsh, unjust or unreasonable.

3. Compliance/non-compliance

- a. for or in connection with the cost of complying with any injunctive or other non-monetary relief or any agreement to provide any such relief; or
- b. for non-compliance with any judgement, award, determination or demand against You issued or published by any court or statutory body.

4. Workplace

for any costs incurred arising from any requirement for physical modifications to Your Location, Property, fixtures, fittings, plant or equipment or changes to Your usual Business operations.

5. Unfair contract

for or in connection with an allegedly unfair contract of employment.

Part C – Tax Audit

What is covered under Part C of Section 5

We will insure You for the Professional Fees reasonably and necessarily incurred within Australia in connection with an Audit that commences during the Policy Period.

We will not pay You more than the Limit stated in the Schedule for this Section Part C – Tax Audit during any one Policy Period.

The Deductible payable under Part C of Section 5 is shown in the Schedule, and applies to each and every Claim, unless stated to the contrary.

Definitions that apply to Part C of Section 5

Audit means the investigation of Your Business' current and prior years' financial affairs by an Australian statutory authority following lodgement of Your return and the making of an assessment (including a self-assessment) regarding Your obligation to pay:

- income tax;
- fringe benefits tax;
- capital gains tax;
- wholesale and sales tax;
- payroll tax;
- goods & services tax; or
- superannuation contributions tax.

For the purpose of Part C of this Section, the Audit commences at the time You first receive notice that the Auditor proposes to conduct an Audit, and is completed when the Auditor:

- has given written notice to You to that effect;
- notifies You that they have made findings in connection to an Audit and notified You of those findings and/or the actions the auditor proposes to take in connection with those findings; or
- has issued an assessment or amended assessment as to Your liability to pay an amount under any relevant legislation.

Auditor means an officer of a statutory authority who is properly authorised to conduct the Audit.

Deductible means the amount You will bear as an uninsured contribution of the greater 10% of all Professional Fees incurred or the amount shown in the Schedule in respect of each claim under Part C of this Section. All payments of Professional Fees made by Us in settlement of a claim under Part C of this Section will be exclusive of Your contribution which is to be paid by You directly to the supplier(s) of the service for which Professional Fees are payable.

Professional Fees means:

- fees paid to registered tax agents, financial advisers, company Auditor, accountants and solicitors who

are not Your Employees, for the preparation of evidence to be submitted to the Auditor;

- fees charged to You for preparation of evidence by Your financial service providers;
- overtime paid by You to Your Employees to prepare for or represent You in any Audit; and
- travelling and accommodation expenses incurred by You or Your Employees in order to attend an Audit.

Specific Exclusions that apply to Part C of Section 5

We will not pay:

- a. for any legal liability, court costs, fines, penalties, tax, penalty tax or interest;
- b. for any routine enquiries or enquiries made by an auditor which are not identified as being either preliminary to or relating to an Audit;
- c. for Professional Fees incurred:
 - i. prior to the commencement of the Audit;
 - ii. after the Audit has been completed;
 - iii. due to Your improper, unwarranted or unjustified refusal or failure to comply with any lawful request made by an Auditor. Refusal or failure to comply will not be deemed to be improper, unwarranted or unjustified if You refuse or fail to comply upon the written advice of Your accountant or solicitor;
 - iv. from Audits or investigations under customs legislation;
 - v. from Audits which You were notified of or knew of prior to the Policy Period;
 - vi. from Audits of income received or earned, or where the source of income is, outside Australia or where the service giving rise to the claim are performed by people or entities ordinarily resident outside Australia;
 - vii. from any fraudulent act or omission committed by You or on Your behalf or by Your Employee(s);
 - viii. which are ordinarily associated with the maintenance and upkeep of Your Business accounts, returns, taxation and financial records and the preparation prior to lodgement of Your accounts, returns, taxation and financial records as required by any relevant legislation;
 - ix. more than twelve (12) months after the commencement of the Audit, unless You can show that completion of the Audit has been delayed as a result of the conduct of the Auditor;
 - if the annual return in relation to which the Audit is proposed to be conducted was not reviewed by an accountant prior to dispatch;
 - if the final assessment of Your taxable income for the period being audited is more than 20% higher than the taxable income which You originally declare; or
 - if You have not maintained all records that You are required to maintain or should or would maintain in the ordinary course of Your Business.

Specific Conditions that apply to Part C of Section 5

1. Errors

If You or any person acting on Your behalf becomes aware of any error in any return of income or other documents supplied to a statutory authority, You must notify the statutory authority without delay.

2. Conduct during the audit

You agree to:

- a. keep Us informed of all material matters in relation to the Audit;
- b. send Us copies of all correspondence in relation to the Audit as soon as reasonably possible of receiving them. If You do not, We may reduce or deny Your claim to the extent We are prejudiced by Your delay;
- c. instruct Your accountants and solicitors to provide Us with all reasonable documents and information in relation to the Audit; and
- d. permit Us, when necessary, to instruct Your accountants and solicitors in matters relating to the Audit. When We do this, the Professional Fees will include the fees payable to Your accountants and solicitors arising from Our instructions to them. This does not mean We will take over or represent You in the Audit or investigation.

3. Income disclosure

You must make full and complete disclosure of all income (including capital gains), turnover and expenses required by any tax legislation. If the final assessment of Your taxable income for the period being audited is more than 20% higher than the taxable income which You originally declared, We will not pay any of Your claim.

4. Tax returns

You must submit all returns and documents within the time limits prescribed by all relevant statutes or regulations or within any extensions of time as lawfully granted by the relevant statutory authority. We or Our duly appointed agent may conduct Our own investigation into any matter which is or may be the subject of a claim under Part C of this Section the Policy.