Motor Trade Insurance
Product Disclosure Statement and
Combined Policy Wording
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Your Policy

Welcome to Your Mainstay Underwriting Motor Trade combined Policy and thank You for choosing Mainstay Underwriting. The information You have given forms part of the contract of insurance with Us. Your Policy, Schedule and Endorsements are evidence of that contract. Please read them carefully and keep them in a safe place.

This wording is divided into a number of Sections that must be read together with the Schedule and Endorsements. The Schedule will show which Sections apply to You. If Your Schedule is incorrect return it to Your insurance broker for alteration.

Important
We recommend that You read this Policy with the Schedule to make sure that it meets with Your needs. If You have any questions, please contact Us or Your insurance broker.

Who is Mainstay Underwriting?
Mainstay Underwriting Pty Ltd ABN 47 123 301 762 (Australian Financial Services Licence No. 477690) ("Mainstay Underwriting"), is an underwriting agency providing a range of insurance products.

Mainstay Underwriting acts as an agent for and on behalf of Certain Underwriters at Lloyd’s. Mainstay Underwriting does not act on Your behalf.

You may contact Mainstay Underwriting via Your insurance intermediary or broker as follows:
- Post: Suite 29, 42 Bundall Road, Bundall, QLD, 4217
- Phone: 07 5680 9945
- Email: Risk@MainstayUnderwriting.com.au

Welcome to the Lloyd’s market
Lloyd’s is the world’s specialist insurance and reinsurance market, bringing together an outstanding concentration of underwriting expertise and talent. It is often the first to insure emerging, unusual and complex risks.

Around 80 syndicates are underwriting insurance at Lloyd’s, covering all classes of business. Together they interact with thousands of brokers daily to create insurance solutions for businesses in over 200 countries and territories around the world.

Lloyd’s enjoys strong financial security supported by excellent ratings. Visit www.lloyds.com for more information.

General Insurance Code of Practice
The Insurance Council of Australia Limited has developed the General Insurance Code of Practice ("the Code"), which is a voluntary self-regulatory code. The Code aims to raise the standards of practice and service in the insurance industry.

Lloyd’s has adopted the Code on terms agreed with the Insurance Council of Australia. For further information on the Code please visit www.codeofpractice.com.au

The Code Governance Committee (CGC) is an independent body that monitors and enforces insurers’ compliance with the Code. For more information on the Code Governance Committee (CGC) go to www.insurancecode.org.au
Complaints and Disputes

If You have any concerns or wish to make a complaint in relation to this policy, Our services or Your insurance claim, please let Us know and We will attempt to resolve Your concerns in accordance with Our Internal Dispute Resolution procedure. Please contact Mainstay Underwriting in the first instance:

Mainstay Underwriting Dispute Resolution Manager
Write to Us at: Suite 29, 42 Bundall Road, Bundall, QLD, 4217
Telephone: 07 5680 9945
Email: Complaints@MainstayUnderwriting.com.au

We will acknowledge receipt of Your complaint and do Our utmost to resolve the complaint to Your satisfaction within 10 business days.

If We cannot resolve Your complaint to Your satisfaction, We will escalate Your matter to Lloyd’s Australia who will determine whether it will be reviewed by their office or the Lloyd’s UK Complaints team. Lloyd’s contact details are:

Lloyd’s Australia Limited
Email: idraustralia@lloyds.com
Telephone: (02) 8298 0783
Post: Suite 1603 Level 16, 1 Macquarie Place, Sydney NSW 2000

A final decision will be provided to You within 30 calendar days of the date on which You first made the complaint unless certain exceptions apply.

You may refer your complaint to the Australian Financial Complaints Authority (AFCA), if Your complaint is not resolved to Your satisfaction within 30 calendar days of the date on which you first made the complaint or at any time. AFCA can be contacted as follows:
Telephone: 1800 931 678
Email: info@afca.org.au
Post: GPO Box 3 Melbourne VIC 3001
Website: www.afca.org.au

Your complaint must be referred to AFCA within 2 years of the final decision, unless AFCA considers special circumstances apply. If Your complaint is not eligible for consideration by AFCA, You may be referred to the Financial Ombudsman Service (UK) or You can seek independent legal advice. You can also access any other external dispute resolution or other options that may be available to You.

The Underwriters accepting this Insurance agree that:
1. If a dispute arises under this Insurance, this Insurance will be subject to Australian law and practice and the Underwriters will submit to the jurisdiction of any competent Court in the Commonwealth of Australia;
2. Any summons notice or process to be served upon the Underwriters may be served upon:
Lloyd’s Underwriters’ General Representative in Australia
Suite 1603
Level 16
1 Macquarie Place, Sydney NSW 2000
who has authority to accept service on the Underwriters’ behalf;
3. If a suit is instituted against any of the Underwriters, all Underwriters participating in this Insurance will abide by the final decision of such Court or any competent Appellate Court.

In the event of a claim arising under this Insurance notice should be given as soon as reasonably practicable by referring to Section of the wording, “How to Make A Claim”.

LMA5544 17/05/2021
How To Make A Claim

You must follow the procedures outlined if something happens that causes or is likely to result in a claim, or the incurring of an expense which may lead to You making a claim under this Policy. If You do not, We may refuse Your claim or reduce the amount We pay.

Claims Notification

If You wish to make a claim, You must:
1. Contact either
   a. Your insurance adviser
   b. Contact Mainstay Underwriting:
      Mainstay Underwriting Pty Ltd
      Suite 29, 42 Bundall Road
      Bundall, Queensland, 4217, Australia
      TEL: +61 (0)75680 9945
      Email: Claims@MainstayUnderwriting.com.au
   c. Contact Our Third Party Claims Administrator:
      i. For claims in sections 1, 2, 3, 4 or 6 please notify:
         Insurx Pty Ltd
         Unit 1, 149 Beauchamp Road
         Matraville, NSW, 2036, Australia
         Email: mainstayclaims@insurx.com.au
         Office: 02 8233 3188
      ii. For claims in sections 5 please notify:
          Proclaim Management Solutions Pty Ltd
          Level 9 / 271 Collins St,
          Melbourne, 3000
          Phone: 1300 552 446
          Email: mainstay@proclaim.com.au
          Mail: Locked Bag 32012, Collins St East, VIC 8003
2. As soon as practicable send Us any court documents or other communication You receive about the claim.

Claims Procedures Applicable to All Sections

The following highlights the claims procedure that must be followed for all applicable sections.

Do not take any action Yourself or ask anyone else to do on Your behalf:
When Loss, Damage or Personal Injury occurs (other than in connection with a Vehicle), You must:
1. take reasonable steps to prevent further Loss, Damage or Personal Injury.
2. As soon as practicable make a report to the police if:
   a. You know or suspect that Your Property has been stolen;
   b. Someone has broken into Your Premises; or
   c. Someone has caused malicious Damage to Your Property.
3. Not make any admission of liability, offer, promise or payment in connection with any event;
4. Preserve and retain any Damaged property and make it available for inspection by Us or Our agent (including a loss adjuster).
5. Not authorise the repair or replacement of anything without Our agreement.
When a Vehicle is Damaged or stolen, You must:
1. Contact Your insurance broker or Mainstay Underwriting as soon as possible on 07 5680 9945 We are available EST 9am-5pm, Monday to Friday. Our staff will advise You on where to take the Vehicle. We can help with any other arrangements necessary to get You back on the Road as quickly as possible.
2. Do everything reasonable to limit and prevent further Loss or Damage.
3. If someone has stolen, attempted to steal or maliciously Damaged Your Vehicle, call the police as soon as practicable. If We ask, You must provide to Us the name of the police officer and police station where You made the report.
4. If Your Vehicle is involved in an event, You should obtain the full names, addresses and phone numbers of all drivers and passengers involved and any witnesses to the event. You will also need to obtain the Vehicle registration numbers and insurance details of all Vehicles involved. If Damage is caused to Buildings and other property, please provide details of the address and owners names.
5. Give Us any information and other assistance We reasonably need to handle the claim. This includes obtaining relevant documents, such as completing and lodging an application form to obtain records from the police, fire and rescue, councils and other entities (when we cannot lodge one).
6. If You get demands, a notice of prosecution, details of an inquest or similar communications from other parties involved in the event, You must tell Us as soon as practicable. If You delay in telling Us, We may not cover any legal or other costs that result from that delay.
7. Tell Us Your entitlement to Input Tax Credits (ITCs) for Your insurance Premium if You are registered or should be registered for goods and services tax (GST) purposes. If information You give Us is incorrect, We will not cover You for any resulting fines, penalties or tax charges.

What You must not do
1. Admit to anyone else involved if it was Your fault.
2. Negotiate or promise anyone a payment, authorise any repairs (except Emergency Repairs to a Vehicle) or dispose of any Damaged property unless We agreed first.
3. Accept any payment (including Excess payments) from anyone unless We agree first.
4. You must not incur any costs or expenses or authorise repairs (other than necessary temporary repairs) without Our agreement.

What You must agree to if You claim
1. You must provide proof of ownership of any lost or Damaged property. Proof could include Vehicle logbook, receipts, valuations or warranties.
2. You must let Us inspect and, if necessary, move a Vehicle before repairs begin.
3. Give Us any information and help We need to handle the claim. This can include agreeing to be interviewed and providing relevant documents We ask for.
4. If We decide to defend You, settle any claim against You, represent You or try to recover Money from the person who caused the Loss or Damage, You must give Us all the assistance We need, including assistance after Your claim has been paid.
5. If Your tax or financial affairs are going to be investigated You must:
   a. Provide Us as soon as practicable with full written details of any proposed tax audit as soon as You are aware of it;
   b. Before retaining any professional other than Your accountant, obtain Our prior written approval of that person’s engagement and of the fees and disbursements likely to be incurred;
   c. Keep Us fully informed of all material developments in relation to the claim and the tax audit;
   d. Take all reasonable steps to minimise cost and delay; and submit to Us all accounts for professional fees as soon as practicable after receiving them. Any accounts submitted to Us should be fully itemised so We can determine the nature and scope of the work done.
When You submit a claim:
1. **We** require that **You** give **Us** all information and assistance **We** may need:
   a. To settle or defend claims; or
   b. To recover from others any amount **We** have paid for a claim.
2. **You** must allow **Us** to:
   a. Make admissions, settle or defend claims on **Your** behalf; and
   b. Take legal action in **Your** name against another person to recover any amount **We** have made on a claim before **We** have paid **Your** claim, or whether or not **You** have been compensated or paid in full for **Your** actual Loss.
   c. **You** must allow **Us** or **Our** agent to enter **Your** Premises or make them available to **Us** for inspection.
   d. **You** must allow **Us** or **Our** agent to take possession of any Damaged property and deal with it in a reasonable manner. If **We** do not take possession of the Damaged property **You** cannot abandon it to **Us**.
   e. **We** will not unreasonably withhold Progress Payments. **We** will make Progress Payments on claims at intervals to be decided by **Us** following receipt of an interim report from **Our** loss adjuster or representative.

When You have made a claim
1. **We** or **Our** agent may investigate any matter that is or may be the subject of the claim.
2. **You** are always required to provide **Us** with direct access to **Your** professional adviser.
3. If **We** ask, **You** are required to instruct **Your** professional adviser to assist **Us** in connection with any matter **We** seek to pursue with any government department, body or agency conducting the tax audit which is or may be the subject of a claim under this Policy.
4. Proceedings in the Event of a claim

FRAUD
1. If any claim is in any respect fraudulent or if any fraudulent means or devices are used by **You** or anyone acting on **Your** behalf to obtain any benefit under this Policy, or if any destruction or damage is occasioned by the willful act or with **Your** involvement, **We** shall be entitled to refuse to pay such claim without prejudice to any other right(s) that **You** have under this Policy.
2. If **You** make a fraudulent claim under this Policy, **We**:
   a. will not be liable to pay the claim; and
   b. may recover from **You** any sums paid by **Us** in respect of the claim; and
   c. may treat this Policy as having been terminated with effect from the time of the fraudulent act by giving notice to **You**.
3. If **We** exercise **Our** rights under clause 1) c) above:
   a. **We** shall not be liable to **You** in respect of a relevant event occurring after the time of the fraudulent act. A relevant event is whatever gives rise to **Our** liability under the Policy (such as the occurrence of a loss, the making of a claim, or the notification of a potential claim); and
   b. **We** need not return any of the premiums paid.

Waiver of Your recovery rights or hold harmless agreement
If another person is, or could have been, liable to compensate **You** for any Loss, Damage or liability covered by the Policy, and **You** have agreed with that person either before or after the Loss, Damage or liability occurred that **You** would not seek to recover any Moneys from that person, **We** will not cover **You** under the Policy for any such Loss, Damage or liability.

When We may refuse a claim
**We** may refuse to pay a claim, or **We** may reduce the amount **We** pay, if:
1. **You** do not do what **Your** duty of disclosure requires **You** to do;
2. **You**:
   a. Are not truthful;
   b. **You** have not given **Us** full and complete details;
c. Have not told Us something when You should have, when applying for the insurance, or when making a claim;

3. You do not at all times take all reasonable care as We require You to do under this Policy;

4. You do any of the following without Us agreeing to it first:
   a. Make or accept any offer or payment or in any other way admit You are liable;
   b. Settle or attempt to settle any claim; or Defend any claim;

5. Cover is specifically excluded in the Policy;

6. You have not complied with any of the requirements of making a claim in the How To Make a Claim Section, starting on page 6; or

7. You are in breach of any other conditions of Your Policy, subject to applicable laws.

8. Remember, if You prevent Our right to recover from someone else or if You have agreed not to seek compensation from another person who is liable to compensate You for any Loss, Damage or legal liability which is covered by this Policy, We will not cover You under this Policy for that Loss, Damage or legal liability.

**Vehicle Repairs**

If We pay a claim under any Section of this Policy by agreeing to repair a Vehicle, We will arrange for it to be repaired by one of Our recommended repairers or You can choose Your own repairer. We will:

1. Repair the Vehicle to its condition immediately before the Loss or Damage occurred;
2. Use parts suitable for the Vehicle’s age and condition;
3. Use only manufacturer’s approved parts if the Vehicle is under the manufacturer’s warranty (but not an extended warranty);
4. Only pay the Market Value of Damaged parts We consider obsolete;
5. Only pay the cost to You plus 15% for those parts that You supply; and
6. Replace Damaged windscreens or window Glass with Glass that meets original standards and Australian Design Rules, but which might be different from the original Glass.

We are not responsible for costs that occur because of delays in delivery of parts. We are not liable for and You are responsible for the cost of any air-conditioning refit, re-gas or modification required by law.

You may have to contribute to the cost of repairing tyres, engines, Accessories, paintwork, bodywork, radiators, batteries, interior trims or caravan annexes affected by wear and tear or rust and corrosion which is not covered by the Policy. How much You pay depends on how worn these items were when the Damage happened.
Introduction

**Insurer’s Liability Several Not Joint**

The liability of an Insurer under this contract is several and not joint with other Insurers party to this contract. An Insurer is liable only for the proportion of liability it has underwritten. An Insurer is not jointly liable for the proportion of liability underwritten by any other Insurer. Nor is an Insurer otherwise responsible for any liability of any other Insurer that may underwrite this contract. The proportion of liability under this contract underwritten by an Insurer (or, in the case of a Lloyd’s syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp. This is subject always to the provision concerning “signing” below.

In the case of a Lloyd’s syndicate, each member of the syndicate (rather than the syndicate itself) is an Insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member’s proportion. A member is not jointly liable for any other member’s proportion. Nor is any member otherwise responsible for any liability of any other Insurer that may underwrite this contract. The business address of each member is Lloyd’s, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd’s syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd’s, at the above address.

**Proportion of Liability**

Unless there is “signing” (see below), the proportion of liability under this contract underwritten by each Insurer (or, in the case of a Lloyd’s syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp and is referred to as its “written line”.

Where this contract permits, written lines, or certain written lines, may be adjusted (“signed”). In that case a Schedule is to be appended to this contract to show the definitive proportion of liability under this contract underwritten by each Insurer (or, in the case of a Lloyd’s syndicate, the total of the proportions underwritten by all the members of the syndicate taken together). A definitive proportion (or, in the case of a Lloyd’s syndicate, the total of the proportions underwritten by all the members of a Lloyd’s syndicate taken together) is referred to as a “signed line”. The signed lines shown in the Schedule will prevail over the written lines unless a proven error in calculation has occurred.

Although reference is made at various points in this clause to “this contract” in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

LMA3333 21 June 2007
This **Policy** has been formulated to meet the requirements of **Your Business**. The following is a summary of the Sections in the Mainstay Motor Trade **Policy** from which **You** may choose to meet **Your** requirements.

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Terms and definitions used in this table are defined in the next section
**General Definitions**

The following definitions apply to all Sections of this Policy, unless these words are defined differently in the relevant Section. Wherever words appear in bold in this Policy they will have the meanings shown in the General Definitions unless more specifically defined in a particular Section. Any word or expression to which a specific meaning has been attached in any part of this wording or the Schedule, shall bear such meaning wherever it may appear in this document:

**Accessories**
Alterations or additions that change the performance, security or value of a Vehicle, including the body, wheels, tyres, rims, engine, exhaust, extraction system, transmission, paintwork, suspension, instruments, sound system or interior.

**Basis of Settlement**
means the basis of settlement provisions under the heading in each Section styled “Basis of Settlement” which is applicable to that Section, and as each Section specifies.

**Accident**
An incident that is unexpected and unintended from Your standpoint, including an Event of that nature.

**Accidental Damage**
Damage, other than by fire, Flood, lightning, thunderbolt, Explosion, implosion, earthquake, subterranean fire, volcanic eruption, impact, Aircraft and/or other aerial devices and/or articles dropped therefrom, sonic boom, the acts of persons taking part in riots or civil commotions or of strikers or locked-out workers or of persons taking part in labour disturbances or of malicious persons or the acts of any lawfully constituted authority in connection with the foregoing acts or in connection with any conflagration or other catastrophe, storm and/or tempest and/or rainwater and/or wind and/or hail, Water or other liquids or substances discharged, overflowing or leaking from apparatus, appliances, pipes or any other system at the Situation(s) or elsewhere.

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

**Aircraft**
Any craft or object designed to transport persons or property through the air or space, including a drone and or unmanned aircraft but other than model aircraft.

**Asbestos**
Asbestos in whatever form including, without limitation, asbestos, fibres, derivatives or products containing asbestos.

**Boiler or Pressure Plant**
1. Those parts of the permanent structure of a boiler or pressure equipment, which contains steam gas or fluid and which are normally subject to vacuum or internal pressure (other than atmospheric pressure or static pressure of contents) including fittings and direct attachments, which are connected to the permanent structure without intervening valve or cock, including:
   a. The supporting structure of the boiler and pressure equipment (other than foundations, refractory and insulating material), such as furnace doors, access doors, external combustion chambers, smoke boxes and casings;
   b. The metal parts of pressure and Water gauges and their connections to the permanent structure, even if separated from the structure by valves or cocks; and
   c. Any pressure pipe system, associated with boilers and pressure equipment, with valves, fittings, traps and separators which contain steam condensate, gas or fluids under pressure (other than atmospheric pressure), including any feed Water piping between boiler and its feed pump or injector.

2. In respect of refrigeration and air-conditioning systems, the interconnecting heat exchangers, coils and pipe work containing transfer media.

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

**Buildings do not include:**
1. Temporary Buildings or shipping containers at the Premises unless they are fixed to foundations, wired for electrical services and the security is at least the same as the permanent Buildings or any padlocks in use are rated between 7 and 10 by AS4145.4 as amended;
2. Loose or compacted soil, earth, gravel pebbles, rocks or granular rubber, gravel, pebble driveway or car park excepting soil or earth that must be restored to repair Insured Damage to Your Buildings).

**Bushfire**
A wildfire that occurs through vegetation such as, woodland, scrubland, grassland, forest or savannahs.

**Business**
The Business or occupation described in the Schedule, including the ownership of any Premises shown in the Schedule.
Collapse
Means the sudden and dangerous distortion of any part of the permanent structure of plant by bending or crushing caused by force of steam or fluid pressure whether attended by rupture or not. Except in the case of a steam test at a pressure not exceeding the maximum pressure permitted by the inspecting authority, the term ‘Collapse’ does not include failure under any test.

Computer System
Means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by You or any other party.

Consequential Loss (except as covered specifically in this Section) Loss, Damage, cost or expense caused directly or indirectly by or resulting from: 1. Delay or interruption of the Business; 2. Lack of power, light, heat, steam or refrigeration; or 3. Any other indirect result or consequence of a Breakdown.

Customer Vehicle
A Vehicle owned by Your customer and left in Your care, custody or control for servicing, repair, Road testing, maintenance, alteration, inspection, valuation, testing, storage or delivery, including a Vehicle fitted with a trade plate, excluding Your Property.

Cyber Act
Means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.

Cyber Loss
Means any Loss, Damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.

Cyber Incident
Means: • any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or • any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.

Damage or Damaged
Sudden and unforeseen physical loss, damage or destruction, not otherwise excluded by this Policy.

Dangerous goods
1. Substances which are shown in the Australian Code for the Transport of Dangerous Goods by Road or Rail (or under any rules replacing that code);
2. Liquid fuels, liquefied or compressed gasses, toxic chemicals, acids, organic peroxides, or corrosives;
3. Infectious, explosive radioactive, or oxidising substances; or
4. Substances with a flashpoint of below twenty-two point seven degrees Celsius (22.70°C).

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

Debris
1. The residue of Your Damaged property; or
2. Material deposited on Your Premises as a result of the operation of an Insured peril. Excluding any material which can cause Pollution and Contamination and which is deposited beyond the boundaries of Your Premises.

Discovered or Discovery
When any of Your directors, officers, senior managers or trustees, not in collusion with an Employee committing a dishonest or fraudulent act, first becomes aware of facts which would cause a reasonable person in the circumstances to believe that Loss covered by this Policy has occurred, or is likely to occur, regardless of when the act or acts causing or contributing to such Loss occurred and even though the exact amount or details of Loss may not then be known.

Emergency Repairs
Minor repairs which are essential for You to be able to drive Your Vehicle safely from an Accident or Event causing Damage, not exceeding $5,000.

Employee
1. Any person while employed under a contract of service with, or apprenticeship to, You; and
2. Any person while hired or seconded from any other party into Your service including any agency furnished personnel whom You have the right at all times to govern, control and direct in the performance of his or her work in the course of Your Business, but does not include: a. Any broker, factor, commission agent, consignee, contractor or other agent; and b. Any of Your partner(s) or director(s) other than executives and directors, unless such person is also Your employee or has been seconded into Your employment by You.
Event or Events
One incident or all incidents of a series consequent on, or attributable to, one source or original cause.

Excess
Any excess or deductible set out in the Schedule, this Policy or any Endorsement that applies to a claim under this Policy.
An excess or deductible must be paid by You and is either the amount specified in the Schedule or otherwise stated in Your Policy for each applicable Section that You must contribute:
1. as the first payment of each and every claim;
2. for the period specified in the Schedule; or
3. as otherwise stated in Your Policy.
Unless specified otherwise the Excess is included in the Limit of liability.

Explosion
Means the sudden and violent rending of the permanent structure of the plant by force of internal steam or fluid pressure or bodily displacement of any part of such structure together with forcible ejection of its contents. Except in the case of a steam test at a pressure not exceeding the maximum pressure permitted by the inspecting authority, the term 'Explosion' does not include failure under any test.

Flood
The covering of normally dry land by Water that has escaped or been released from the normal confines of any of the following whether or not each of the following has been altered or modified:
1. a lake;
2. a river;
3. a creek;
4. another natural watercourse;
5. a reservoir;
6. a canal;
7. a dam.

Glass
Glass (including plastic material used as glass) which belongs to You, or for which You are legally liable for, that is:
1. External glass;
2. Internal glass and vitreous china or ceramic; and
3. Toilet pans, cisterns and wash basins;
Glass does not include:
1. Signs;
2. Expendable items;
3. Glass forming part of Vehicles or stock or merchandise in trade;
4. Ornaments, antiques or portable glass objects;
5. Chipped or cracked or imperfect glass, or Glass in poor condition;
6. Glass in electronic or printing equipment including mobile phones, tablets and computers; or
7. Glass in any glass house, conservatory, radio, television screen, computer screen, vase, picture, crystal, crockery, china, or glass normally carried by hand.

Gross Profit
Means the amount by which the sum of Money paid or payable to You for goods sold, services rendered or rent received, plus the amount of stock and work in progress at the end of Your financial year exceed the sum of the opening stock and the work in progress at the beginning of the financial year and the Uninsured Working Expenses.
The amounts of the opening and closing stocks and work in progress will be arrived at in accordance with Your normal accountancy methods, due provision being made for depreciation.
The words and expressions in this definition have the meanings usually attached to them in Your books and accounts unless otherwise defined in this Policy.

Hazardous Goods, Substance or Mould
1. Any pollutant, contaminant or other substance declared by a government authority to be hazardous to health or the environment; or
2. Any mould, yeast, fungus or mildew including any spores or toxins created or produced by or emanating from such mould, yeast, fungus or mildew, whether or not allergic, pathogenic or toxigenic.

Holdback
The Vehicle cost retained by any other dealers or suppliers who provide replacement Vehicles as is normal procedure in the motor industry where replacements cannot be sourced from the manufacturer to satisfy customer orders, subject to a limit of $20,000 any one claim.
The percentage of the wholesale cost paid by the manufacturer or distributor to You following the retail sale of a Vehicle, subject to a limit of $20,000 any one claim.

Insured Property or Your Property
Property insured under this Policy.

Land Value
Means the sum certified by the valuer general as being the value of the land so described in the Policy after due allowance has been made for variations in or special circumstances affecting such value either before or after the Damage or which would have affected the value had the Damage not occurred so that the figures as adjusted represent as near as may be reasonably practicable the true land value pertaining both before and after the Damage.

Limit of Liability
The amount specified in the Schedule as a limit or a sub-limit or other maximum amount payable by Us under this Policy for claims, circumstances, benefits, entitlements, Insured Property, cover and aggregate liability, as specified in the Schedule.

Loss or Losses
Sudden or unforeseen physical loss.
Market Value
The amount You would have to pay to buy a Vehicle similar to Your Vehicle immediately before the Loss or Damage, taking into account its make, model, age, kilometres travelled and condition. To determine the Market Value, We may refer to an accepted motor Vehicle valuation guide used by the motor industry. The amount We determine represents the cost to replace the property Insured with a similar item of the same make, model, age and condition as the property Insured immediately prior to the Loss or Damage.

Money
Cash, bank notes, currency notes, negotiable cheques, negotiable Securities, travellers’ cheques, debit and credit card vouchers, discount house vouchers, money orders, postal orders, unused postage stamps, revenue stamps, lottery tickets, stored value cards, public transport boarding tickets, authorised gift vouchers, valuable documents (but limited to certificates of stock, bonds, coupons and all other types of Securities) and the contents of franking machines.

Motor Trade Business
means the motor trade business described in the Schedule but does not cover activities broader than:
1. The service and repair of Vehicles or their parts and Accessories;
2. The inspection of Vehicles, reporting on the condition of Vehicles, the provision of advice on the road worthiness of Vehicles, and the recommendation of/for repairs and/or parts required to/for a vehicle;
3. The issuance of documentation to facilitate the registration of Vehicles or their transfer of title;
4. The ownership and/or occupation of the Situation(s);
5. Other activities incidental to Your business, as declared to and accepted by Us.

Named Insured
That person, company or legal entity specified as the Named Insured in the Schedule who carries on or conducts the Business.

New Vehicle
Is a Vehicle which You obtained directly from the manufacturer, wholesaler or another dealer, which was not previously registered, for the purpose of resale and includes Vehicles declared in the Schedule. A new vehicle does not include a Vehicle which had travelled in excess of 5,000km prior to the time and place of Loss or Damage.

North America
Includes the United States of America and Canada and in each case its territories and protectorates.

Open Air
Includes area under hail nets or any structure that is not fully enclosed.

Period of Insurance
The Period of Insurance set out in the Schedule, ending at 4.00 pm on the last day of this period.

Personal Injury
Means:
Death, bodily injury, sickness, disease, disability, shock, fright, mental anguish and mental injury and includes mental harm, stress, emotional upset, embarrassment or loss of dignity

Personal Property
Property of a personal character that is portable such as clothing and personal belongings normally worn or carried in person by You however this does not include Vehicles or Money.

Policy
Means:
1. this document,
2. the Schedule;
3. any endorsement to this Policy whether issued at the inception of the Policy or during the Period of Insurance; and
4. the information You have provided in the Proposal.

Pollutant or Pollutants
Any solids, liquids, gaseous or thermal irritants, contaminants, smoke, vapour, soot, fumes, odour or any other air emission, acids, alkalis, chemicals, waste materials, waste water, oil or oil products, infectious biological or medical waste, Asbestos, electric or magnetic or electromagnetic fields, noise and any ionising radiations or contamination by radioactivity and the residue from the productions of drugs or illicit substances.

Pollution and Contamination
The actual, alleged or threatened discharge, release, escape, seepage, migration or disposal of Pollutants into or on real or Personal property, Water or the atmosphere; or any direction or request to test for, monitor, clean up, treat, detoxify or neutralise Pollutants. Including contamination as a result of the production of drugs or illicit substances.

Premises
As specified in Your Schedule whether owned, leased, used or occupied by You for the purposes of the Business, and within the confines of the Building(s) at the Situation.

Premium
The amount stated in the Schedule.

Property
the tools, clothing and personal effects, belonging to Your company, Business, partners, directors and their families, officers and Employees
Proposal
means Your written proposal made to Us containing information and statements which, together with any other information or documents provided, are the basis of this Policy and are considered incorporated in it.

Road
Any surveyed or unsurveyed land dedicated to public use, according to law, as a road (including a footpath or median strip). It also includes a toll road or a bridge which is open to the public and used as a road.

Salvage Value
The estimated amount that would be received if Damaged property were to be sold.

Schedule
The schedule document that attaches to and forms part of Your Policy.

Securities
Shares, stocks, bearer instruments, derivatives, bonds, warrants, debentures, units in shares, units in trusts (including any evidence of indebtedness or other equity or debt security), rights under a depository receipt or other securities (or interests therein) of whatever nature.

Selling Price
The inward cost of the Vehicle plus the actual average margin from Gross Profit, not inclusive of Holdback.

Stock Card
Your accounting record either on paper or in electronic form, within which You record the complete details of Vehicles, including Your actual purchase cost and actual cost of improvements to the Vehicles. is Your accounting record, within which You record the complete details of Vehicles, including Your actual purchase cost and actual cost of improvements to the Vehicle.

Theft
Means theft or attempted theft of Insured Property, involving:
1. Theft following forcible and violent entry to the Premises or any attempt at that;
2. Theft or any attempt at theft by a person feloniously concealed on the Premises;
3. Theft following assault or violence or threat of immediate assault or violence to You, Your Employees or customers, occurring on the Premises;
4. Theft following armed hold up occurring at the Premises; or
5. Theft or attempted of stock of spare parts or Accessories whilst in, on the Premises.

Total Loss
Where property is Damaged beyond economical repair. Where Your Property Insured is lost or stolen and not recovered within a reasonable period of time or where it is Damaged and the cost of repairing it is uneconomical or greater than the Limit of Liability for the property, Market Value or Stock Card value, whichever is the lesser.

Uninsured Working Expenses
All purchases (less any discounts received), discounts allowed, bad debts, carriage, packing and freight, and other uninsured working expense specified in the Schedule.

Vehicle or Vehicles
Motor Vehicles, trailers, caravans, boats, motor cycles, motorised homes, motor propelled machinery of every kind and description whether registered or unregistered belonging to or being purchased, financed or otherwise acquired by You or left in Your custody for sale, or repair, or garaging, servicing or any other purpose in the course of the Business.
The Vehicle(s) described on Your Schedule. It also includes Vehicle Accessories or modifications if We have agreed to insure them as part of Your Vehicle and they are shown on Your Schedule.

Water
Includes snow, sleet or hail.

Watercraft
Any vessel, craft or thing made or intended to float on or in or travel on or through Water, other than model boats.

We, Us, Our, Insurer
Certain underwriters at Lloyd’s and Mainstay Underwriting as agents for Certain underwriters at Lloyd’s.

You, Your, Yourself, Insured
Any person, company or legal entity shown on the Schedule as the Insured and any company, firm, partnership or trust in which the Named Insured hold a 50% or more ownership, interest or shareholding.
Important Terms of Your Policy

The following terms apply to all Sections of this Policy, unless more specifically stated in the relevant Section in which case the term in that Section shall take precedence:

Basis on which We insure You:
We agree to insure You:
1. Based on the information provided in Your Proposal and subject to payment of the required Premium by the required date,
2. In accordance with the terms and conditions of Your Policy.
You should carefully read Your Policy as one document and keep it in a safe place. If You require further information about Your Policy or wish to confirm a transaction, call Us on 07 5680 9945.

Cover under more than one Section
We will not indemnify You or pay for any claim under more than one Section of the Policy for the same Loss, Damage or liability.
Where more than one Section of Your Policy covers or may have covered the claim had You selected that Section, that is more specifically applies to cover the relevant claim applies and We will not pay anything under any other Section(s).

Cancellation Rights
1. We have the right to cancel the Policy where permitted by law. For example, We may cancel:
   a. If You failed to comply with Your duty of disclosure; or
   b. Where You have made a misrepresentation to Us during negotiations prior to the issue of the Policy; or
   c. Where You have failed to comply with a provision of the Policy, including the term relating to payment of Premium; or
   d. Where You have made a fraudulent claim under the Policy or under some other contract of insurance that provides cover during the same period of time that the Policy covers You; and We may do so by giving You at least three days’ notice in writing of the date from which the Policy will be cancelled. The notification may be delivered personally or posted to You at the address last notified to Us.
   e. Where an act or omission by You has the effect of altering the state or condition of the subject-matter of the contract or of allowing the state or condition of that subject-matter to alter.
2. If You or We cancel the Policy We may deduct a proportion of the Premium for time on risk, reasonable administrative costs related to the acquisition and termination of the Policy We incur and any government taxes or duties We cannot recover.

3. In the event that You have made a claim under this Policy no return of Premium will be made for any unused portion of the Premium.

Duty of Disclosure Notice (Australia)

Your duty of disclosure
Before You enter into an insurance contract, You have a duty to tell Us anything that You know, or could reasonably be expected to know, may affect Our decision to insure You and on what terms.
You have this duty until we agree to insure You. You have the same duty before You renew, extend, vary or reinstate an insurance contract.
You do not need to tell Us anything that:
- reduces the risk We insure You for; or
- is common knowledge; or
- We know or should know as an insurer; or
- We waive your duty to tell us about.
If You do not tell Us something
If You do not tell Us anything you are required to, We may cancel Your contract or reduce the amount We will pay You if You make a claim, or both.
If Your failure to tell Us is fraudulent, We may refuse to pay a claim and treat the contract as if it never existed.
LMA1098 28 December 2015

What happens if the duty of disclosure is not complied with?
If the duty of disclosure is not complied with, We may cancel the Policy and/or reduce the amount We pay in the event of a claim. If fraud is involved, We may treat the Policy as if it never existed and any claims may be declined.

Renewal procedure
Before Your Policy expires, We will advise You whether We intend to offer renewal and if so on what terms. This document also applies for any offer of renewal We may make unless We tell You otherwise. It is important that You check the terms of Our renewal offer before renewing to satisfy Yourself that the details and content are correct. In particular, check the limits and Excess(es) applicable to ensure the levels of cover are correct for Your requirements. Please note that You need to comply with Your Duty of Disclosure before each renewal.

Interests of other parties
The important term “Interest of other parties” applies to Sections 1, 2, 3, 4 & 6 of this Policy and not section 5.
The pecuniary or economic interest of only those lessors, financiers, trustees, mortgagees, owners and all other parties specifically noted in Your records (other than floor plan financiers) We will automatically note that insurable interest without any notification or specification by You and where Insured Property the subject of that insurable interest is Damaged, pay claims for the Insured Property in accordance with the priority agreed between You and the party with the insurable interest. You must tell Us in writing the nature and extent of such interest to be disclosed in the event of Damage.
Where the insurance covers the interest of more than one party, any act or neglect of an individual party will not prejudice the rights of the remaining parties, provided that the remaining parties must, as soon as becoming aware of any act or neglect whereby the risk of Damage has increased, give notice in writing to Us and on demand pay such reasonable additional 
Premium as We may require.

The Goods and Services Tax (GST) and Your insurance (GST registered policyholders only)

GST has an impact on the way in which claim payments are calculated under Your Policy. We will calculate the amount of any payment We make having regard to Your GST status.

If, for example, We make a cash payment for the purchase of goods or services for which You are entitled to claim an input tax credit, We will only pay an amount equal to Your net cost – i.e. Your cost after claiming input tax credits. The wording contained in this Policy sets this out in more detail.

In respect of Your Policy, where You are registered for GST purposes You should calculate Your insured amounts or advise Us of Your asset values or turnover having regard to Your entitlement to input tax credits. You should, therefore, consider the net amount (after all input tax credits have been taken into account) which is to be insured and calculate and advise to Us the insured amounts, asset values or turnover on a GST exclusive basis.

If You are either wholly or partially input taxed, You are in a special category under the GST legislation, and will need to advise Us of Your sums insured, asset values or turnover on a GST inclusive basis.

This outline of the effect that the GST has on Your Policy is for Your general information only. You should not rely on this information without first seeking expert advice on the application of the GST to Your particular circumstances.

Privacy statement

Privacy legislation regulates the way private sector organisations can collect, handle, store and disclose personal information and Mainstay Underwriting and Insurers are bound by the Privacy Act 1988 (Cth.) when doing so.

We have developed a privacy policy that explains the sort of personal information We hold about You and what We do with it.

We collect, handle, store and disclose Your personal and sensitive information in order to:
1. Consider Your application for insurance;
2. Determine the premium, terms and conditions of Your Policy (if the application is accepted); and
3. Review, assess and handle any claims.

We may disclose personal information to third parties who We believe are necessary to assist Us and them in providing the relevant services and products. This includes but is not limited to:
1. Relevant employees involved in providing services
2. Other companies, business partners and/or service providers that may be located in Australia or overseas.
3. Your insurance broker that collects this from you;
4. Those involved in the claims handling process, including but not limited to loss adjusters, legal firms investigators, agents, accountants, engineers or other professional experts;
5. Insurance companies, Lloyd’s Syndicates, reinsurance brokers and reinsurers (which may be located outside of Australia) with whom We transact business;
6. Insurance reference bureau, credit reference bureau or banks;
7. Government, law enforcement, dispute resolution, statutory or regulatory bodies, or as required by law.

We limit the use and disclosure of any personal information provided by Us to any third party to the specific purpose for which it was supplied. Where these entities are overseas, We regularly review the security of Our systems used for sending personal information.

Any information disclosed may only be used for the purposes of collection detailed above and system administration.

By completing and returning a Proposal and/or providing Us with any additional information in connection with Your application, You agree to Us using and disclosing Your personal information as set out above. This consent to the use and disclosure of personal information remains valid unless You alter or revoke it by giving Us written notice.

Personal information may also include sensitive information such as, amongst other things, information about an individual’s health, membership of professional associations and criminal records.

You have the right to seek access to Your personal information and to correct it at any time and We aim to ensure that Your personal information is accurate, up to date and complete.

Please contact Mainstay Underwriting on 07 5680 9945 (9am to 5pm, Monday to Friday) if You would like to seek access to, or revise, Your personal information or feel that the information We currently have on record is incorrect, incomplete or believe that the privacy of Your personal information has been interfered with. In these cases, You are entitled to raise Your concerns. Your complaint will be managed and resolved through Our Complaints Procedure.

Should You wish to obtain more information about Mainstay Underwriting privacy policies, please contact Us or alternatively please review the policy on Our website www.MainstayUnderwriting.com.au

From time to time We may advise, or offer you, information on other Mainstay Underwriting products or services that may be relevant and of interest to you. If You do not wish to receive these offers or information, please call Mainstay Underwriting on 07 5680 9945 (9am to 5pm, Monday to Friday).
General Conditions
The following conditions apply to all Sections of this Policy, unless more specifically stated in the relevant Section in which case the term in that Section shall take precedence:

Accommodation and Travelling Expenses
If your Vehicle is on a journey and:
   a. suffers Accidental Damage and is unable to be driven; or
   b. is lost by theft and not found within a reasonable time;
we will pay the reasonable cost for essential temporary accommodation expenses incurred by you to complete the journey or return to the point of departure, up to a maximum of $500 for any one event unless such other amount is specified in the Schedule.

Actions of parties other than You
The acts or omissions of:
1. A tenant of Yours; or
2. The owner of, or another tenant in, the Building or situation;
which breach any provision of this Policy will not affect Your entitlement to cover provided that:
   a. The act or omission was committed without Your prior knowledge or complicity; and
   b. You notify Us of the happening or existence of the act or omission as soon as You become aware of it; and
   c. You pay any reasonable extra Premium which We require.

Alteration to risk
If You become aware of any changes to the facts or circumstances which existed when this Policy commenced that change the nature of the risk in a way that would increase the risk of Loss, Damage or liability You must notify Us in writing. If We agree to the change, We will do so in writing and You must pay Us any additional Premium We require and/or We may cancel cover if We do not agree.

Bankruptcy or Insolvency.
In case of execution against You of any final judgment covered by this Policy being returned ‘unsatisfied’ by reason of such bankruptcy or insolvency, then an action may be maintained by the injured party or their representative against Us in the same manner, and to the same extent as You but not in excess of the Limit of Liability and subject to the terms of the Policy.

Basis and method of Settlement of Claims
We will choose the method of settlement of Your Claim. If You do not agree with the way We wish to settle Your claim We may settle all or any element of a claim for the cost to repair or replace any element of Your claim.
We have the right to choose the builder or repairer or supplier to repair, reinstate or replace Insured Property.
and You give Us the right to enter into a contract with a builder, repairer or supplier on Your behalf.

**Burning, Welding and Cutting Condition**

It is a condition of this Policy that all of the following precautions are adhered to on each occasion that You are using any oxy-acetylene or electric welding or power driven cutting/grinding equipment or any blow lamp or blow torch away:

1. The immediate area in which the operation is to be carried out must be segregated to the greatest practicable extent by the use of screens made of metal and/or fire retardant material;
2. The whole of the segregated area must be adequately cleaned and freed from combustible material before operations commence;
3. Combustible floors/substances in or surrounding this segregated area must be liberally covered with sand or protected by overlapping sheets of incombustible material;
4. The designated areas must be well away from spray painting and areas where flammable liquids or products are stored or used;
5. The following must be kept available for immediate use near the scene of operations:
   a. suitable fire extinguishers; and/or
   b. hoses connected up in readiness for immediate use and tested prior to the commencement of the work.
6. A thorough examination must be made in the vicinity of the work approximately one hour after the termination of each operation.
7. Any such works are conducted in accordance with Australian Standard AS1674;
   If You do not carry out or maintain these minimum standards, We may reduce or refuse to pay a claim or may cancel this Policy.

**Claim administration and legal proceedings**

When a claim is admitted, We have the right at Our discretion to exercise all Your legal rights relating to the claim and to do so in Your name. We will take full control of the administration, conduct or settlement of the claim including any recovery or defence that We may consider is necessary.

**Claim settlements – GST**

When We calculate the amount We will pay You, We will have regard to the items below:
Where You are liable to pay an amount for GST in respect of an acquisition relevant to the claim (such as services to repair a Damaged item covered under this Policy) We will pay the GST amount.
We will pay the GST amount in addition to the sum insured or Limit of Liability or other limits shown in this Policy.
If Your sum insured or Limit of Liability is not sufficient to cover the claim, We will only pay the GST amount that relates to Our settlement of the claim.

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

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

**Complying with Our Requirements**

You must comply, within a reasonable time which We will specify, with any request made by Us:
1. To arrange a survey of Your Property at Your cost if We require it prior to offering You cover under any Section;
2. To be allowed to survey Your Premises or examine Your Products;
3. For the protection or improvement of Your Property; or
4. To reduce the likelihood of Loss of or Damage to property, breakdown, audit, fidelity loss or any other Loss or Damage insured by the Policy.

**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 You underestimate 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.

**Excess**

You must pay any Excess that applies to a claim under any Section in Your Policy for any Event. The Excess that applies to that Section will be set out in Your Schedule and if not specified is $1,000.
The Excess must be paid to Us or as We direct within the time We specify. Alternatively, We may deduct the Excess from the amount We pay for any Claim.
Unless specified elsewhere in a particular Section, Your Excess is included in calculating the Limit of Liability.
For the purpose of the application of any Excess, Damage resulting from:
1. earthquake occurring during each period of 72 consecutive hours, or
2. atmospheric disturbance (for example, and including, hailstorms) occurring during each period of 24 consecutive hours
is considered as one Event whether the earthquake or atmospheric disturbance is continuous or sporadic in its sweep or scope and the Damage was due to the same seismological disturbance or atmospheric conditions.
Each Event is deemed to have commenced on the first happening of any such Damage.
If more than one Excess can be applied to one
Fire Precaution Condition
It is a condition of this Policy that You adhere to the following fire precautions and minimum standards:
1. Smoking must be strictly prohibited internally throughout the workplace. "No Smoking" signs should be conspicuously displayed at all access points to the workplace. A dedicated external staff area is to be assigned for smoking with a clearly defined receptacle for extinguishing and disposing of cigarette butts;
2. Flammable liquids are to be stored in a purpose built flammable liquids store or cabinet;
3. The following minimum fire protection must be present:
   a. A fire extinguisher outside any spray booth;
   b. A fire extinguisher adjacent to the flammable liquids store;
   c. A fire extinguisher adjacent to electrical switchboards;
   d. A fire extinguisher for each 200 sq metres of floor space or hose reels installed so that any point of the factory floor is reachable by at least one hose stream.
   e. Fire extinguishers and hose reels should be kept accessible at all times. Sign posting should clearly identify the position of hose reels and extinguishers.
   f. All fire protection equipment is to be inspected and certified at least every 12 months or as per the Relevant Standards of the Local State or Territory in which the Building is located.
If You do not carry out or maintain these minimum standards, We may reduce or refuse to pay a claim or may cancel this Policy.

Headings
Headings have been included for ease of reference only. The provisions of the Policy are not to be construed or interpreted by reference to such headings.

Interpretation
In this Policy the singular includes the plural and vice versa. The male gender includes the female and neutral genders.
A reference to section or Section in the Policy is a reference to a section of the Policy.
A reference to an additional benefit in a Section of the Policy is a reference to those additional benefits set out in that Section of the Policy.

A reference to an optional benefit in a Section of the Policy is a reference to those optional benefits set out in that Section of the Policy.

Keeping Us up to date
During the Period of Insurance and at renewal, You must tell Us of any of the following changes (for which We may ask for an additional Premium to maintain cover):
1. If the Building is not in a good state of repair;
2. Details of any work on the Building other than routine maintenance or decoration;
3. Any material change in the Business;
4. Any change of Premises;
5. Details of any conversion or modification to a Vehicle made by someone other than the manufacturer. For example, if You give a Vehicle wide tyres or wheels, or lower its suspension; and
6. If there is any change in the use of Your Vehicle. For example, if You start using Your Vehicle for courier services.
You must tell Us:
1. If You or any person who is likely to drive Your Vehicle has been charged with or convicted of any motor offence or motor infringement (but not parking fines);
2. Details of any motor Accidents that You or any person likely to drive Your Vehicle has had – whether or not involving Your Vehicle; or
3. If You or any person who is likely to drive Your Vehicle is convicted of any criminal offence.

Maximum amounts
Where a dollar amount is specified e.g. “Maximum: $2,000” for example in an Additional or Optional Benefit(selected by You and specified as covered in the Schedule) in any Section of this Policy, that amount is the maximum amount We will pay in respect of any one Event for that Additional or Optional Benefit unless a higher amount is specified for that Additional or Optional Benefit in Your Schedule.

Non-imputation
Where this insurance is arranged in the joint names of more than one Insured, as described in the definition of You, it is hereby declared and agreed that:
1. Each Insured shall be covered as if it made its own Proposal for this insurance;
2. Any declaration, statement or representation made in any Proposal shall be construed as a separate declaration, statement or representation by each Insured;
3. Any knowledge possessed by any Insured shall not be imputed to the other Insured(s).

Other notices
Any communications under this Policy must be sent to Us by the You to Our address or facsimile number specified in this PDS.

Premium Adjustment
Unless otherwise stated, the Premium charged for this Policy is a flat Premium and not subject to adjustment, except in relation to the provisions contained within General Conditions ‘Alteration to Risk’ and ‘Keeping Us up to date’.
Reading exclusions
If any portion of any exclusion is found to be invalid or unenforceable the remainder will remain in full force and effect.

Reasonable care and maintenance
You must:
1. Take all reasonable steps to prevent Loss of or Damage to property, breakdown, financial loss, fidelity loss or any other Loss or Damage covered by this Policy;
2. Take all reasonable care to prevent Personal Injury to another person or Damage to another person’s property;
3. Comply with all laws and safety requirements imposed by any authority or by state or national legislation;
4. Employ only competent Employees;
5. Keep all property well maintained; and

Reinstatement of Sum Insured
After We have admitted liability for a claim, We will automatically reinstate the Sum Insured and/or Additional Benefit limits to their pre-Loss amount without any additional Premium having to be paid. This condition does not apply when We pay a Total Loss or the full Sum Insured. Automatic reinstatement does not apply to Sections 1,2 and 3 and to additional Benefit in any Section.

Salvage Value
We are entitled to any Salvage Value on recovered and Damaged items that have been replaced.

Spray Painting Condition
It is a condition precedent to this Policy that spray painting is to be conducted in a spray booth with extraction vents whenever spray painting operations are undertaken as part of Your Business. If You do not carry out or maintain these minimum standards, We may reduce or refuse to pay a claim or may cancel this Policy.

Storage of Hazardous Goods
Hazardous Goods stored at the Situation by any Business must be stored in quantities and in a manner permitted by relevant laws or regulations. Failure to comply with the above may cause a declination of a claim and/or cancellation of cover.

Subrogation and recoveries
Where We pay a claim, We are subrogated to Your rights in respect of that claim. You agree to provide Us with all information, evidence, documentation, assistance and co-operation and to execute such documents, including signed statements and affidavits, which We reasonably request in the exercise of Our rights of recovery, at Your own cost, and use reasonable endeavours to assist Us in the exercise of Our rights of recovery.

All Money recovered from other parties will be allocated in accordance with Policy 67 of the Insurance Contracts Act 1984 (C’th) as at the date this PDS and Policy Wording was prepared.

Underinsurance
Claims under this Policy for Sections:
1 Property Damage,
2 Business interruption,
4 Motor Combined Risks policies (clauses 4.1, 4.2 only),
will be limited in the amount that We pay when You have a claim if You have understated a sum insured or declared value in Your Proposal or request for insurance.

If You have understated a sum insured or declared value, We will only pay that proportion of the claim which the sum insured bears to 85% of the value at the commencement of the Period of Insurance.

Example:
Claim payment = Claim amount x Declared value of Your Insured Property
85% of the actual value of Your Insured Property

This condition does not apply if the amount of any Loss or Damage (net of any Input Tax Credit that You could claim) is less than 5% (five percent) of the total Sum Insured specified in Your Schedule for a sum insured or a declared value.

Vehicle Return
Where Your Vehicle is Damaged in an accident and unable to be driven we will pay up to a maximum of $500 any one event (unless such other amount is specified in the Schedule) to return your Vehicle to its original destination or point of departure, whichever is required by you.
Your representative – authorisation
By entering into this Policy, You agree that the person representing You when applying for this insurance is authorised to give and receive information on Your behalf in relation to all matters arising under this Policy and in accordance with the Insurance Contracts Act 1984.

General Exclusions

Exclusions to all sections
The following exclusions apply to all Sections of this Policy, unless the relevant Section specifies to the contrary, in which case the term in that Section will prevail, however the Communicable Disease and Terrorism exclusions below, will apply to all Sections and prevail notwithstanding any clause to the contrary in any Section.

Absolute Asbestos Exclusion
This Policy shall not apply to and does not cover any actual or alleged liability whatsoever for any claim or claims in respect of Loss or Losses directly or indirectly arising out of, resulting from or in consequence of, or in any way involving Asbestos, or any materials containing Asbestos in whatever form or quantity.

Biological or Chemical Materials
It is agreed that this Policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

Communicable Disease
Notwithstanding any other provision, clause or term of this Policy to the contrary, this Policy does not insure any Loss, Damage, liability, claim, cost, expense or other sum of any kind, whether directly or indirectly and/or in whole or in part, “relating to” or occurring concurrently or in any sequence with a “Communicable Disease” or the fear or threat (whether actual or perceived) of a “Communicable Disease”.

For the purposes of this Exclusion, Loss, Damage, liability, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:
1. for a “Communicable Disease”, or
2. any property insured hereunder that is affected by a “Communicable Disease”.

As used herein:
1. “Communicable Disease” means any infectious disease, contagious disease or communicable disease or any other disease which can be transmitted by means of any substance and/or agent from any organism to another organism where:
   a. the disease, substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation or mutation thereof, whether deemed living or not, and
   b. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
   c. the disease, substance or agent can cause or threaten Damage to human health or human
welfare or can cause or threaten Damage to, deterioration of, Loss of value of, marketability of or Loss of use of tangible or intangible property insured hereunder.

2. “relating to” means relating to, in connection with, arising under, arising out of, as a result of, as a consequence of, attributable to, and any other term commonly used and/or understood to reflect or describe a nexus and/or connection from one thing to another whether direct or indirect.

This exclusion applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

All other terms, conditions and exclusions of the Policy remain the same.

LMA5393 (SCOR Edits) - 15 April 2020

CYBER, DATA & WAR LIMITED EXCLUSION ENDORSEMENT 1
(Other than Bodily Injury or Property Damage arising out of a Cyber Incident)

1. Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy does not apply to any loss, damage, liability, claim, fines, penalties, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any:

   1.1. CYBER ACT or CYBER INCIDENT including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any CYBER ACT or CYBER INCIDENT; or
   1.2. loss of use, reduction in functionality, repair, replacement, restoration, reproduction, loss or theft of any DATA, including any amount pertaining to the value of such DATA,

regardless of any other cause or event contributing concurrently or in any other sequence thereto, unless subject to the provisions of paragraph 2.

2. Subject to all the terms, conditions and exclusions contained in this Policy or any endorsement thereto, clause 1.1 of this Endorsement shall not apply in respect of any actual or alleged liability for and/or arising out of:

   2.1. any ensuing third party bodily injury (other than mental injury, mental anguish or mental disease); or
   2.2. any ensuing physical damage to or destruction of tangible third party property,

resulting from or arising out of a CYBER INCIDENT, unless that CYBER INCIDENT is caused by, contributed to by, resulting from, arising out of or in connection with a CYBER ACT.

Nothing contained in the foregoing shall provide any coverage for any action taken in controlling, preventing, suppressing or remediating a CYBER INCIDENT or a CYBER ACT.

3. In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

4. If the Underwriters allege that by reason of this endorsement loss sustained by the Insured is not covered by this Policy, the burden of proving the contrary shall be upon the Insured.

Definitions

COMPUTER SYSTEM means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.

CYBER ACT means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any COMPUTER SYSTEM.

CYBER INCIDENT means:

1. any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any COMPUTER SYSTEM; or
2. any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any COMPUTER SYSTEM.

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

LMA5469A 12 October 2022

Deliberate Acts

This Policy shall not apply to and does not cover any claim or claims in respect of Loss, Damage or liability arising from criminal, deliberate or intentional acts or omission caused or incurred by You or by any person acting with Your express or implied consent.

Driving Under the Influence of Drugs/Alcohol

Directly or indirectly, caused by, arising from or in connection with Vehicles being driven or controlled by You, on Your behalf or by any of Your Employees:

1. Whose faculties are impaired by or who is under the influence of alcohol or drugs and/or alcohol;
2. Who has been convicted of driving or controlling any such Vehicle while under the influence of alcohol and/or drugs;
3. In whose breath or blood the concentration of alcohol equals or exceeds that prohibited by the law applicable in the State or Territory at the time the incident occurred, as indicated by analysis of the person’s breath or blood; or
4. Who fails or refuses:
   a. To provide a specimen, or sample of breath for analysis by a breath analysing instrument;
b. To provide a specimen or sample of blood for a laboratory test or blood test; or

c. To comply with a direction or requirement of a member of the police force or other authorised person as to the provision 4a. or 4b, where such specimen or sample is sought or such direction or requirement is made to ascertain the concentration of alcohol or drugs in such person’s breath or blood while the Vehicle was being driven or controlled by any such person.

However, this Exclusions shall not apply if:

1. There is any relevant statutory provision to the contrary;

2. There is any statutory provision which allows an election or exemption of a person from providing a specimen or sample but only to the extent of such election or exemption; or

3. Where You were not driving or controlling the Vehicle, and You did not consent to the Vehicle being either driven or controlled by any such person, however the burden of proof shall be upon You.

Fuel and Oils

This Policy does not cover any Loss, Damage or liability directly or indirectly caused by, arising from or in any way connected with:

1. Incorrect fuel, incorrect additive or non-approved fuel systems
   a. the use of incorrect fuel or incorrect additive; or
   b. the use of a fuel system in Your Vehicles and which does not comply with Australian Standards.

2. Loss of fuel
   The Loss of or Theft of fuel from Your Vehicles or Property or for the cost or replacement of contaminated fuel in Your Vehicle or Property.

3. Loss of oil/coolant
   Any resultant mechanical Damage caused by the Loss of oil or coolant in Your Vehicle. However, this exclusion will not apply if You:
   a. suffers Malicious Damage; or
   b. is Damaged by impact; or
   c. is Damaged by an unauthorised person driving Your Vehicle.

Known Faults or Defects

This Policy does not cover claims, Loss, Damage or liability caused by 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 this Policy was entered into.

Lawful Seizure

This Policy does not cover claims, Loss, Damage or liability directly or indirectly caused by, or arising from, or in consequence of, or contributed to by Lawful seizure caused directly or indirectly by the lawful seizure, detention, confiscation, nationalisation or requisition of the Property Insured;

Radioactive Contamination and Explosive Nuclear Assemblies

This Policy does not cover:

a. loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss; or

b. any legal liability of whatsoever nature; directly or indirectly caused by or contributed to by or arising from

   i. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
   ii. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

NMA1622 04/04/1968

Sanction Limitation and Exclusion Clause

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

15/09/10 LMA3100

Territorial Exclusion: Russia, Ukraine and Belarus

Notwithstanding anything to the contrary in this Policy, this Policy excludes any loss, damage, liability, cost or expense of whatsoever nature, directly or indirectly arising from or in respect of any:

1. entity domiciled, resident, located, incorporated, registered or established in an Excluded Territory;
2. property or asset located in an Excluded Territory;
3. individual that is physically in an Excluded Territory;
4. claim, action, suit or enforcement proceeding brought or maintained in an Excluded Territory;
5. payment in an Excluded Territory.

This exclusion will not apply to any coverage or benefit required to be provided by the insurer by law or regulation applicable to that insurer, however, the terms of any sanctions clause will prevail.

For purposes of this exclusion, “Excluded Territory” means:

1. Belarus (Republic of Belarus); and
2. Russian Federation; and
3. Ukraine (including any disputed regions of Ukraine and including the Crimean Peninsula)

All other terms, conditions and exclusions remain unchanged.

LMA55838 8 March 2023

Terrorism

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto it is agreed that this Policy excludes loss, damage, cost or expense of
whatsoever nature directly or indirectly caused by, resulting from or in connection with any Act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss. This Exclusion also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any Act of Terrorism. If we allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this Policy the burden of proving the contrary shall be upon the You. In the event any portion of this Exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect. NMA2920 08/10/2001

Tyre Manufacturing, Re-tread or Rebuild Tyre Manufacturing
This Policy does not cover, Loss, Damage or liability directly or indirectly arising out of or in any way connected with tyre manufacturing, re-tread or rebuilt tyre manufacturing.

War and Civil War
This Policy does not cover Loss, Damage or liability directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority. NMA0464 01/01/1938

Exclusions to Sections 1, 2, 3, 4 & 6
The following exclusions apply to Sections 1, 2, 3, 4 & 6 of this Policy, unless the relevant Section specifies to the contrary in which case the term in that Section will prevail. However, the Property Cyber and Data exclusion below, will apply to all Sections and prevail notwithstanding any clause to the contrary in any Section.

Absolute Cladding Exclusion
This Policy shall not apply to and does not cover any claim or claims in respect of Loss or Losses directly or indirectly arising out of, resulting from or in consequence of, or in any way involving cladding (meaning, the installation of which would not comply with the Building Code of Australia) including but not exclusively any skin or layer attached to the outside of any:
1. Buildings or
2. Your Premises or
3. Property, or
4. any materials which form part of the cladding, skin or layer of Your Buildings or Property in whatever form.

Consequential Loss
This Policy does not cover Consequential Loss of any kind including Loss resulting from delay or lack of performance, Loss of contract or depreciation in value of any undamaged Insured Property.

Excluded Perils
We will not pay for Damage caused directly or indirectly by or in connection with or arising from or occasioned through:
1. Flood
2. Fusion
3. Water from or action by the Sea, tidal wave or high Water
4. Moths, termites or other insects, vermin, rust or oxidation, mildew, Mould, Contamination or pollution, wet or dry rot, corrosion, change of colour, dampness of atmosphere or other variations in temperature, evaporation, disease, bacteria, viruses, inherent vice or latent defect, Loss of weight, change in flavour, texture or finish, smut or smoke from industrial operations (other than sudden and unforeseen Damage resulting from such smoke or smut);
5. Wear and tear, fading, gradual deterioration or developing flaws, normal upkeep or making good;
6. Error or omission in design, plan or specification or failure of design;
7. Normal settling, seepage, shrinkage or expansion in Buildings or foundations, walls, pavements, Roads and other structural improvements, creeping, heaving and vibration of land; or
8. The roots of trees or other plants
9. The Explosion, implosion, rupture, Collapse, bursting, cracking or overheating of any Boiler, economiser or other pressure vessel, including pipes, valves and other apparatus forming part of any of these and in respect of which a certificate is required to be issued under terms of any statute or regulation. This exclusion shall be limited to the items immediately affected by the perils in this clause 9;
10. Faulty materials or faulty workmanship.
11. Incorrect siting of buildings consequent upon:
   a. Error in architectural design or specification;
   b. Faulty workmanship; or
   c. Non-compliance by You (or anyone acting on Your behalf) with the necessary permits issued by government, public or local authorities;
12. Demolitions ordered by government or public or local authorities due to failure on Your part or Your agents to obtain the necessary permits required;
13. Spontaneous combustion, spontaneous fermentation or heating or any process involving the direct application of heat. However, this exclusion is limited to the item or items immediately affected and do not extend to other property Damaged as a result of the spontaneous combustion, fermentation or heating or process involving the direct application of heat.
14. unexplained disappearance or unexplained inventory shortage, whether resulting from errors in supply or delivery of materials by or to You or solely from clerical or accounting errors by You;

15. Pollution and Contamination except Loss or destruction of or Damage to Property Insured at the Situation caused by:
   a. Pollution and Contamination at the Situation which itself results from fire, lightning, Explosion, Aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious damage, earthquake, storm, bursting, overflowing discharging or leaking of Water tanks, apparatus or pipes, sprinkler leakage or impact by any Vehicle or animal;
   b. Any of the perils listed in a. above which itself results from Pollution and Contamination;

16. Accidental Damage, unless specified in the Schedule as insured and then only up to the Sub limit specified in the Schedule;

17. fraudulent or dishonest acts, fraudulent misappropriation, embezzlement, forgery, counterfeiting data corruption, unauthorised amendment of data and erasure by electronic or non-electronic means involved the Insured Property by You or any of Your Employees acting alone or in collusion with any other person;

18. Access by any person, other than You or Your Employee, to Your computer system via data communication media that terminate in Your computer;

19. The cessation of work whether total or partial or the cessation, interruption or retarding of any process or operation as a result of strikes, labour disturbances or locked out workers. However, this exclusion does not apply in respect of Loss or Damage directly caused by strikers, locked out workers or similar persons;

20. Erosion, subsidence, earth movement or Collapse resulting from them; or

21. Kidnapping, bomb threat, threat of Contamination, hoax, extortion or any attempt of these.

We will pay for Damage to Insured Property caused directly by any circumstances not excluded under this Excluded Perils provision, notwithstanding that these circumstances may in turn have been caused by any of the circumstances referred to in specific perils above.

Property Cyber and Data Exclusion
Notwithstanding any provision to the contrary within this Policy or any Endorsement thereto this Policy excludes any:
   • Cyber Loss;
   • loss, Damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data; regardless of any other cause or event contributing concurrently or in any other sequence thereto.

In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect. This exclusion supersedes and, if in conflict with any other wording in the Policy or any Endorsement thereto having a bearing on Cyber Loss or Data, replaces that wording.

Definitions in this exclusion:
Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.
Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.

Cyber Incident means:
   • any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or
   • any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.

Computer System means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.

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

Property Exclusions
We do not cover any Loss or Damage to:
1. Property undergoing construction, erection, alteration or addition when the value of work exceeds 10% of the Declared Value on Buildings at the Situation;
2. Property whilst in transit other than the incidental movement of property within the Premises other than during temporary removal of Insured Property (other than stock or merchandise and Vehicles) to any Premises in Australia;
3. Money;
4. Jewellery, furs, bullion, precious metals or precious stones, other than any of these that are stock of the Business and not exceeding $2,000 unless specified on the Schedule;
5. Works of art, antiques and curios unless they are on the Premises at the Situation at the time of the Damage and then limited to an amount not exceeding $2,000 in total unless such other amount is specified in the Schedule; 
6. Any locomotive or rolling stock or Watercraft, other than any of these that are stock of the Business, however, cover in respect of Watercraft whilst on Water will only apply to stock whilst being used for demonstration purposes, up to the amount set out on the Schedule; 
7. Any Aircraft (including its Accessories or spare parts) other than any of these that are stock of the Business, however, no cover is provided for any Loss or during taxing, take off, flight or landing; 
8. Any Vehicles or customer’s Vehicles or other property owned by Your customers except as specifically provided for in Policy in Section 4- Motor Combined Risks and other than to the extent cover is specifically provided under that Section; 
9. Livestock, animals, birds or fish; 
10. Standing timber, growing crops and pastures; 
11. Land, other than structural improvements on or in the land if those structural improvements are not otherwise excluded in this Policy; 
12. Bridges, canals, tunnels, railway tracks, dams and reservoirs (other than tanks) and their contents; 
13. Docks, wharves and piers not forming part of any Building; 
14. Mining property located beneath the surface of the ground unless otherwise expressly stated in this Policy; 
15. Property during the course of, and as a result of, its processing or modification; 
16. Property in the Open Air other than hail nets, textile canopies, awnings and blinds unless such property comprises or forms part of a permanent structure designed to function without protection of walls or roof caused by wind, rainwater or hail; 
17. Vehicles other than Your Vehicles and customer’s Vehicles, in the Open Air caused by hail; 
18. Hail Damage to Vehicles when located at a residential address other than the Situation defined in Your Schedule. 
19. Property forming part of any or under construction, erection, alteration or addition when the value of work to be completed at any one Premises at the time of the Damage exceeds 10% of the Limit of Liability specified for Section 1 or $500,000, whichever is the lesser. This exclusion will apply only to the works comprising such construction, erection, alteration or addition and not to any original or existing structures; 
20. Empty Premises undergoing demolition; or 
21. Any equipment where such Damage is caused by a breakdown of the equipment. 

RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE
This Policy does not cover 
a. loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss 
b. any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. 
NMA1270 03/12/1959 

WAR AND TERRORISM EXCLUSION ENDORSEMENT
Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss; 
1. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or 
2. any act of terrorism. 
For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear. 
This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) above. 
If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured. 
In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect. 
NMA2918 08/10/2001 

Unexplained Loss 
Damage caused by or consisting of disappearance unexplained or inventory shortage, misfiling or misplacing of information. 

Unsealed Roads 
For all circumstances (except for specified Vehicles and where specified in the Schedule), this Policy has a total exclusion for Vehicles on unsealed Roads. 

Document Version: 20230524 Page 27 of 55 Mainstay Underwriting
Vehicles Locked In Buildings
If You have noted on Your Proposal that all Vehicles are locked in Buildings during non-business hours, then there is a general exclusion on all Vehicles that are not kept within Buildings during non-working hours. This exclusion does not apply to Vehicles that are not at the Business location for Business purposes, where they are in the care custody and control of another Business.
Section 1 Property Damage

1.1 Insuring Clause
We will indemnify You in respect of Damage to Property Insured occurring during the Period of Insurance at the Premises subject to the Excess.
We will also pay for the reasonable costs of effecting Emergency Repairs to Your Property, following Damage which is the subject of indemnity under this Section.

1.2 Limit of Indemnity
The maximum We will pay under this Section in any one Period of Insurance will not exceed
1. The sum insured on each item in the Schedule or
2. The total sum insured specified in the Schedule for the claim; or
3. Any other maximum amount payable or Limit of Liability specified in the Schedule
You should refer to each Section and Your Schedule for specific limits.

1.3 What We Cover
Your Property
1. the property shown in the Schedule
2. the property in the Premises in Your custody or control
3. the property for which You are responsible under any lease, hire, rental or similar contractual agreement,
in connection with the Business but excluding commercial loads of customer’s Vehicles.

1.4 Definitions Applicable to this Section
Declared Values
The values of property insured at each Situation calculated as applicable in accordance with the Basis of Settlement. You shall complete a statement of declared values at the commencement of the Period of Insurance and as at the end of the Period of Insurance.

1.5 Basis of Settlement
Reinstatement or replacement
We will pay the cost of rebuilding, replacing or repairing any Damaged part of Your Business property to the same condition as when they were new or, where appropriate.
On hail nets, textile canopies, awnings and blinds, reinstatement and replacement value for the first 24 months following installation as new. After this time, We will pay the reinstatement and replacement value less 10% for each subsequent 12 month period or part of that period.
Business property may be rebuilt or erected at another location and in a manner suitable to You provided You pay any additional costs to build or erect elsewhere. If the Business property is lost or Damaged, You must commence to rebuild, replace or repair within a reasonable time of the Loss or Damage, after Our consent has been obtained. If You do not, We will pay no more than the cost that would have been incurred if the work of rebuilding, replacement or reinstatement has been commenced and carried out with reasonable dispatch.

Extra cost of reinstatement
(Applicable to Buildings, machinery and plant). Where ‘reinstatement or replacement’ basis of settlement is shown in the Schedule, this cover extends to include the extra cost of reinstatement (including demolition or dismantling) of Damaged property Insured necessarily incurred to comply with the requirements of any Act of Parliament or Regulation made under an Act or by law or the Regulation of any Municipal or Statutory Authority, subject to the following provisions and subject also to the terms, conditions and sums Insured of this Section.
Provided that:
1. The work of reinstatement, must be commenced and carried out within a reasonable period, failing which We will not pay more than the amount which would have been payable under the Policy if the work of reinstatement had been commenced and carried out with reasonable dispatch;
2. The work of reinstatement may be carried out wholly or partially upon any other site, if the requirements of the Act, Regulation or By-law necessitate it, subject to Our liability not being increased;
3. Our total liability under this clause ‘Extra cost of reinstatement’ will be limited to:
a. The Limit of Liability shown in the current Schedule for ‘Extra cost of reinstatement’ shall be in addition to the sum Insured for Insured Property; or
b. If no such sub-Limit of Liability is stated, and the replacement cost of the Damage to Buildings or contents, as the case may be, is less than fifty percent (50%) of the replacement cost of the Buildings or contents, Our liability shall be limited to the extra cost necessarily incurred in reinstating the Damaged Business property only;
4. The amount recoverable shall not include the additional costs incurred with complying with any such Act, Regulation or By-law or requirement with which You have been required to comply prior to the happening of the Damage.
The underinsurance condition in Section 1 will not be applied to the amount payable under this clause.

Floor space ratio index (plot ratio)
Where Buildings are Damaged and the cost of reinstatement is more than 50% of the cost of reinstatement if the Buildings had been totally destroyed and reinstatement of such Damage is limited or restricted by:
1. Any Act of Parliament or regulation thereunder; or
2. Any by-law or regulation of any municipal or other statutory authority;
resulting in either case in the reduction of the floor space ratio index (plot ratio) of the site, then We shall pay in addition to the amount payable on reinstatement of such Buildings the difference between:
1. The actual costs incurred in reinstatement subject to the reduced floor space ratio index (plot ratio); and
2. The estimated cost of reinstatement at the time of Damage had the reduced floor space ratio index (plot ratio) not applied.

Provided that Our total liability for reinstatement or replacement value, additional costs of compliance and under this 'Floor Space Ratio Index (Plot Ratio)' clause shall not exceed the sum insured respect of the Buildings which are the subject of the claim.

**Loss of Land Value**

If a competent local or government authority refuses to allow the full reconstruction of the Premises following Damage, or allows partial reconstruction only, We will pay the difference between the Land Value before and after the Damage.

We will deduct from what We pay any amount of compensation payable to You by the relevant authority arising out of the action of the authority.

Our liability in respect of Loss of Land Value is limited to $500,000.

The following provisions apply to this condition:
1. Our payment will be made following the ruling of the competent local or government authority resulting in the Loss of Land Value.
2. If We have made a payment to You and subsequently the ruling of the competent local or government authority is changed resulting in an increase in the Land Value, that part of the claim paid in excess of the revised Land Value will be refunded by You to Us.
3. All disputes relating to Land Value will be referred to the decision of two registered valuers, one to be appointed by each of the parties, and if the two registered valuers do not agree, to a third valuer appointed by the President of the Australian Institute of Valuers as an expert whose decision shall be binding.

### 1.6 Additional Benefits

The following additional benefits apply to this Section. These benefits will only be payable in the event that a claim is paid under this Section. Unless stated otherwise, these additional benefits are included in Our Limit of Liability and not in addition to it.

**Architects, surveyors, legal and consulting engineer’s fees**

We will cover You for architects, surveyors, legal and consulting engineers, and other fees incurred in the reinstatement or repair of the property insured under the Policy following Damage, but not for preparing any claim. The amount payable under each item will not exceed in total its sum insured.

**Clearance of drains**

The insurance for Buildings extends to include expenses reasonably incurred by You, with Our consent, in cleaning, clearing and/or repairing drains, sewers or gutters for which You are responsible as a consequence of Damage on the Premises.

Maximum: $10,000

**Customs, excise and other duties**

We will cover You for Your liability for customs, excise and other duties which You become liable to pay in connection with the repair or reinstatement of Insured Property that is covered by this Section.

**Director’s or Employee’s property**

We will cover You for the replacement cost of the following property used for the Business and caused by an Event covered by this Section which happens during the Period of Insurance:
1. **Personal Property of Your directors or Employees** on the Premises at the time of the Loss or Damage;
   and
2. **Tools of trade belonging to Your directors or Employees** away from the Premises at the time of the Loss or Damage.

Maximum: $10,000

**Employees tools**

We will pay for Damage to portable hand tools belonging to Your Employees which You accept responsibility for and are being used in connection with the Business, whilst at the Premises (provided the sums insured in the Schedule are equal to or more than the Market Value).

Maximum: $10,000 per Employee, Aggregate $20,000 per event.

**Exhibition Sites**

We will indemnify You in respect of Damage as insured by this Section for Insured Property whilst at any exhibition within Australia where You are exhibiting goods for a period which does not exceed seven days duration in the course of demonstration, construction, erecting or dismantling at any such exhibition.

We will not indemnify You in respect of Damage caused by Theft or attempted Theft from an unattended Vehicle, being any Vehicle with no person in charge or keeping the Vehicle under observation and able to observe or prevent any attempt by any person to interfere with the Vehicle unless all keys, key cards or remote control transmitter are removed from the Vehicle and the Vehicle is securely locked at all points of access and any additional locking devices immobilisers or alarms be in operation where fitted by the manufacturer or a professional

Maximum: $50,000

**Exploratory costs**

We will cover the reasonable costs of identifying and locating the source of the Damage for which a claim is payable, where such Damage is caused by the bursting, discharge, overflowing or leakage from fixed apparatus, fixed appliances, fixed pipes or other systems used to hold or convey liquid of any kind but We will not pay for the repair or replacement of such apparatus, appliances, pipes or other systems which give rise to the Damage.
We will not pay for any of these costs if the Damage is caused by a Building defect, Building movement, wear, tear, gradual corrosion, gradual deterioration, Earth Movement or by trees, plants or their roots.

Maximum: $5,000.

Express carriage rates and extra payments
We will cover You for the costs and expenses incurred by You for express carriage rates and extra payments for overtime, night, Sunday or holiday working incurred in connection with the repair or reinstatement of Insured Property that is covered by this Section.

Maximum: $2,000

Fire Brigade Damage
We will indemnify You in respect of costs and expenses necessarily incurred in reinstating or repairing landscaped gardens and grounds following Damage caused by fire brigade equipment or personnel in the course of combating fire.

Maximum: $20,000

Fire extinguishing costs
This Section includes the reasonable costs and expenses incurred in refilling, recharging and replacing any portable fire extinguishing appliances, local fire suppression system, sprinkler installation, sprinkler heads as a result of Damage insured by this Section.

Maximum: $5,000.

We will not cover You for any costs and expenses recoverable from Your maintenance company or fire and rescue services.

Government or authority fees
Any fee, contribution or other impost payable to any government, local government or other statutory authority where payment of the fee, contribution or impost is a condition precedent to the obtaining of consent to reinstate any Property Insured, provided that We will not be liable for payment of any fines and/or penalties imposed upon You by any such authorities.

Maximum: $2,000

Landscaped grounds
This Section includes costs incurred by You with Our consent in reinstating or repairing landscaped gardens and grounds following Damage to Insured Property at the Premises.

We will not cover You for any subsequent costs arising due to the failure of reinstated or repaired trees, shrubs, plants, turf and the like to germinate or become established.

Maximum: $10,000

Lock Replacement – Other than Vehicles
We will indemnify You in respect of the cost of changing locks or lock mechanisms on doors windows safes and strongrooms at the Premises to maintain security following Theft of keys from the Premises or from Your home or the home of any director partner or Employee of Yours.

Maximum: $2,000

Miscellaneous property
Cover for Buildings and machinery, plant and all other contents also includes:

1. Telephone, gas, Water and electrical instruments, meters, piping, cabling and all Accessories including similar property in adjoining yards, roadways or underground pertaining to the Premises insured under the Policy and for which You are responsible.
2. Plant, conveyors, trunk cables, lines, wire, service pipes and other equipment including all supporting structures in the open or adjoining or connected with a Building(s).

Removal of Debris
This Section also includes costs and expenses necessarily incurred with Our consent in:

1. Removing Debris
2. Dismantling and/or demolishing
3. Shoring up or propping of the portion(s) of the Building(s) as a result of Damage. We will not pay for any costs or expenses incurred in removing Debris except from the site of the property destroyed or Damaged in the area immediately adjacent to the site.
4. Arising from Pollution and Contamination of property not insured by this Section.

Maximum: The lesser of 10% declared value at situation or $100,000

Temporary protection costs
We will cover You for the costs and expenses necessarily and reasonably incurred for the temporary protection and safety of Insured Property pending repair or replacement as a result of Damage covered by this Section.

Maximum: $100,000

Temporary removal
This Section extends to cover Insured Property other than motor Vehicles whilst temporarily removed from the Premises for Business purposes anywhere in the Policy territories excluding:

1. Any amount in Excess of 10% of the item sum insured shown in the Schedule or $25,000 whichever is the less.
2. Property whilst at any exhibition.
3. Employee’s tools
4. Property in Vehicles
5. Property in transit
6. Property which is removed from the Premises for more than 90 consecutive days, unless We agree a longer period in writing.
7. Property which is more specifically Insured.

Maximum: $20,000
1.7 Conditions applying to this Section
The following conditions apply to this Section:

Acquired companies
This Section extends to cover Vehicles located in Australia belonging to companies and other organisations in which You acquire a controlling interest during the Period of Insurance, provided that:
1. You tell Us about details of such acquisition within 90 days following the date of acquisition; and
2. The Business of the new acquisition is similar to the Business.
For the purposes of this clause, a controlling interest will mean, in the case of a company, the acquisition of shares carrying more than 50% of votes capable of being cast at a general meeting of ordinary shareholders in such company.

Branded goods
Any salvage of branded goods or merchandise, You own or which is held by You in trust or on commission, or goods sold but not delivered, will not be disposed of by sale without Your consent. If such salvage is not disposed of by sale, then the Damage will be assessed at the value agreed between You and Us after brands, labels or names have been removed by or on Your behalf.

Fire-break doors and shutters
All fire-break doors and shutters must be kept closed except during working hours and be maintained in efficient working order. If You fail to comply with these conditions We may decline a claim in respect of fire and/or cancel the Policy.

Fire extinguishing appliances
All fire extinguishing appliances must be maintained in efficient working order during the Period of Insurance. If You fail to comply with these conditions We may decline a claim in respect of fire and/or cancel the Policy.
This Policy will not be invalidated by any defect in any of the appliances due to any circumstances beyond Your control.

Glass
This section does not cover incidental glass damage, as glass cover is offered within Section 3. Section 1 will provide glass cover where there is structural or major damage to the building.

Insurer’s rights
On the happening of any Loss or Damage in respect of which a claim is or may be made under this Policy, We and every person authorised by Us may, without incurring any liability and without diminishing Our right to rely upon any conditions of this Policy, enter, take or keep possession of any Building or Premises where the Loss or Damage has happened and may take possession of or require to be delivered to Us any of the Insured Property and may keep possession of and deal with such property for all reasonable purposes and in any reasonable manner.

Sprinkler installations
You must ensure that the Premises are protected, as required by law, by an approved installation of automatic sprinklers, automatic external alarm signal and automatic alarm signal connected with a fire brigade station. You must also ensure that these installations are maintained in good working order. You must undertake the regular maintenance of these installations in accordance with Australian Standard AS 2118 Automatic Sprinkler Installation. Notice of all alterations, additions and maintenance to the automatic sprinkler installation must be given by You to Us as soon as reasonably practicable. Once You notify Us of any changes, We will decide if We will agree to continue to insure You under this Policy, and on what terms. We may charge You additional Premium to continue to insure You if We agree or We may cancel cover if We disagree.
Section 2 Business Interruption

2.1 Insuring clause

In the Event of Insured Property used by You at the Premises for the purpose of the Business being Damaged and that Damage is covered under Section 1, We will cover You for the Loss resulting from such interruption or interference with the Business carried on by You, as a consequence of that Damage in accordance with the following terms and conditions.

2.2 Definitions

The following definitions apply to Section 2

Adjustments

Mean, in respect of shortage in turnover, rate of Gross Profit, rate of payroll, standard turnover and annual turnover such Adjustments as may be necessary to provide for the trend of the Business and for variations in or other circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred, so that the figures adjusted represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage.

Annual turnover

Means the turnover of the Business (subject to any Adjustments) during the 12 months immediately before the date of the Damage.

Gross income

Means the amount paid or payable to You for goods sold, services rendered, or rental received, less the purchase price of Vehicles or stock.

Indemnity period

Means the period beginning when the Damage took place, and ending when the Business is no longer affected by the Damage, or the period shown in the Schedule, whichever is the sooner.

Insured Property

Means all real and Personal Property of every kind and description (except as excluded in this Policy) belonging to You or for which You are responsible, or have assumed responsibility to insure prior to the occurrence of any Damage, including all such property in which You may acquire an insurable interest during the Period of Insurance.

Insured Property Insured excludes:

1. Customer Vehicles: You should refer to Section 4- ‘Motor Combined Risks’ for cover relating to Vehicles, stock of Vehicles, Customer Vehicles.
2. Vehicles financed under Your Dealer Floor Plan Agreements: You should refer to Section 4- ‘Motor Combined Risks’ for cover relating to Vehicles, stock of Vehicles, and Customer Vehicles.

Payroll

Means the remuneration (including but not limited to payroll tax, fringe benefits tax, sick pay, bonuses, holiday pay, long service leave, workers' compensation insurance premiums and accident compensation levies, superannuation and pension fund contributions, and the like), paid to or on behalf of all Employees employed in the Business.

Rate of Gross Profit

Means the rates of Gross Profit (subject to any Adjustments) expressed as a percentage, earned on the standard income during the financial year immediately before the date the Damage.

Rate of payroll

Means the rate of payroll to turnover (subject to any Adjustments) during the 12 months immediately before the date of the Damage.

Shortage in turnover

Means the amount by which the turnover (subject to any Adjustments) during a period shall, as a consequence of the Damage, fall short of the part of the Standard Turnover which relates to that period.

Standard income

Means the gross income during that period which corresponds to the Indemnity Period, in the 12 months before the Damage occurred.

Standard turnover

Means the turnover (subject to any Adjustments) during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period.

Theft

Means Theft or attempted Theft of Insured Property, involving:

1. Theft following forcible and violent entry to the Premises or any attempt at that;
2. Theft or any attempt at Theft by a person feloniously concealed on the Premises;
3. Theft following assault or violence or threat of immediate assault or violence to You, Your Employees or customers, occurring on the Premises;
4. Theft following armed hold up occurring at the Premises; or
5. Theft or attempted of stock of spare parts or Accessories whilst in, on the Premises.

Turnover

Means the Money (less discounts, if any allowed) paid or payable to You for goods sold and delivered and for services rendered in the course of the Business at the Premises.
2.3 Limit of Indemnity
The maximum We will pay for any Event in the Period of Insurance is the Limit of Liability specified in the Schedule.

2.4 Additional benefits
The following additional benefits apply to this Section. These benefits will be payable in the Event that a claim is paid under this Section. Unless stated otherwise, these additional benefits are included in Our Limit of Liability and not in addition to it.

Accounts receivable
All sums due to You from customers that You are unable to collect because of Damage to records of accounts receivable. We will also pay collection expenses in Excess of normal collection costs made necessary because of the Damage as well as interest charges at the ruling rate of Your bank on any loan to offset impaired collections pending repayment of such sums made uncollectible by such Damage. If You cannot accurately establish the total amount of accounts receivable outstanding as at the date of Loss, the amount will be computed as follows:
1. 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 occurs;
2. 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 occurs, as compared with such average for the same months of the preceding year;
3. the amount determined under 1 above, increased or decreased by the percentage calculated under 2 above, will be the agreed total amount of accounts receivable as of the last day of the fiscal month in which said Loss occurs;
4. 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 the Motor Trade Business since the last day of the last fiscal month for which statements have been rendered less:
   a. the amounts of such accounts evidenced by records not suffering Damage or otherwise established or collected by You;
   b. an amount to allow for probable bad debts that would normally have been uncollectible by You;
   c. all unearned interest and service charges; and
   d. settlement or term discounts normally allowed.
Maximum: $50,000

Computer installations
Any Loss resulting from interruption of or interference with the business occasioned by Damage to computer installations, including ancillary equipment and data processing media utilised by You in connection with the Business anywhere in Australia, is deemed to be Loss resulting from Damage to Insured Property used by You at Your Premises for the purpose of this Section. This additional benefit only applies to Damage that would have been covered under Section 1 (other than under the additional benefits or optional covers) if such Damage had been to property insured under that Section.
Maximum: $20,000

Closure
This Section is extended to include Loss directly or indirectly resulting from interruption of or interference with the Business carried on by You at Your Premises, as a consequence of closing of the whole or part of Your Premises, in the Period of Insurance, by order of a public authority as a consequence of defects in the drains or other sanitary arrangements at Your Premises.
Maximum: $250,000 for any one Loss at any one Premises.

Insured’s Premises
Any Loss resulting from interruption to or interference with the business as a consequence of Damage to the customer’s Premises, which prevents access to such Premises, anywhere in Australia, is deemed to be Loss resulting from Damage to Insured Property at the Premises for the purpose of this Section 2.

This optional cover only applies where that Damage would have been covered under Section 1 (other than under the additional benefits or optional covers) if such Damage had been to Insured Property.
The most We will pay under this optional cover is the Limit of Liability set out in the Schedule for Your Premises.
Maximum: $250,000

New Business
In the Event of Damage occurring at the Premises before the completion of the first year’s trading of the Business the terms rate of Gross Profit, annual turnover, standard turnover and rate of payroll used this Section will have the following modified meanings:
1. Rate of Gross Profit – The rate of Gross Profit earned on the turnover during the period between the date of the commencement of the Business and the date of the Damage (subject to any Adjustments).
2. Annual turnover – The proportional equivalent, for a period of 12 months of the turnover realised during the period between the commencement of the Business and the date of the Damage.
3. Standard turnover – The proportional equivalent, for a period equal to the indemnity period, for the turnover realised during the period between the commencement
4. Rate of payroll – The rate of payroll to turnover during the period between the date of the commencement of the Business and the date of the Damage.
Prevention of access
Any Loss resulting from interruption of or interference with the Business as a consequence of Damage to property:

1. Within 1km of the Premises which prevents the use of or access to the Premises, whether or not Insured Property at the Premises is Damaged, is deemed to be Loss resulting from Damage to Insured Property at the Premises for the purpose of this Section 2; or

2. Within 1KM of and forming part of or contained in the complex of which the Premises forms part, which results in a cessation or diminution of trade due to temporary falling away of potential custom whether or not Insured Property at the Premises is Damaged, is deemed to be Loss resulting from Damage to Insured Property at the Premises for the purpose of this Section 2.

This additional benefit only applies to Damage that would have been covered under Section 1 (other than under the additional benefits or optional covers) if such Damage had been to property insured under that Section.

Maximum: $250,000

Specified Suppliers’ and/or Customers’ Premises
Loss resulting from interruption of or interference with the Motor Trade Business in consequence of Damage to property at the Premises, anywhere in Australia, of Your direct suppliers or customers shall be deemed to be Loss resulting from Damage to property used by You at the Situation.

The maximum We will pay under this optional benefit, in respect of any one Loss or series of Losses arising out of the one Event or Occurrence is the amount of the sub limit shown in the Schedule against each specified supplier and/or customer.

We will not pay for a claim following Flood, earthquake or windstorm if an overseas specified supplier cover is shown on the Schedule.

Maximum: $250,000

Turnover/Output Alternative
At Your option, the term output can be substituted for the term turnover in Section 2. Output means the sale value of goods manufactured or processed by You in course of the Business at the Premises. If You chose this substitution, cover under Turnover elsewhere after Damage is amended to read as follows:

If during the Indemnity Period goods are manufactured or processed other than at the Premises for the benefit of the Business, either by You or by others on Your behalf, the amounts received or receivable in respect of sale or invoice value of those goods will be brought into account in arriving at the output during the Indemnity Period.

Unspecified Suppliers’ and/or Customers’ Premises
Loss resulting from interruption of or interference with the Motor Trade Business in consequence of Damage to property at the premises anywhere in Australia of Your direct suppliers or customers which shall be deemed to be Loss resulting from Damage to property used by You at the Situation.

Maximum: $250,000

Utilities extension
Any Loss resulting from interruption of or interference with the Business directly or indirectly as a consequence of Damage anywhere in Australia to any communication link, subterranean or subsea pipe or cable or electric power station or sub-station, gas works, Water works or supply line of the supply undertaking from which You obtain electric current, gas or Water, is deemed to be Loss resulting from Damage to Insured Property used by You at the Premises for the purpose of this Section.

This additional benefit only applies to Damage that would have been covered under Section 1 (other than under the additional benefits or optional covers) if such Damage had been to property insured under that Section.

However, this will not apply to any Loss during the 48 hours immediately following the Damage.

Maximum: $250,000

2.5 Optional Benefits
If You have requested any of the following benefits in Your Proposal, and they appear in Your Schedule as covered We will pay:

Additional increase in cost of working
We will pay for the additional increase in cost of working (not otherwise recoverable under this Section) necessarily and reasonably incurred during the indemnity period as a consequence of the Damage for the purpose of avoiding or diminishing reduction in turnover or resuming or maintaining normal Business operations or services.

The most We will pay for Your additional increase in cost of working is the Limit of Liability set out in the Schedule for additional increase costs of working.

Claims Preparation Expenses
In addition to the amount payable under Clause 1 Gross Profit, the costs of such reasonable professional fees as may be payable by You, and such other reasonable expenses necessarily incurred (with Our written consent) by You and not otherwise recoverable, for preparation of claims under this Section and Section 1 – Property Damage: Material Damage up to the limit specified in Your Schedule.

Gross Profit
The actual Loss of Gross Profit due to reduction in Turnover and increase in cost of working, and the amount payable will be:

1. In respect of reduction of turnover: the sum produced by applying the Rate of Gross Profit to the Shortage in Turnover;

2. 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 **Damage**, but not exceeding the sum produced by applying the **Rate of Gross Profit** to the amount of the reduction so avoided;

3. Less any sum saved during the **Indemnity Period** in respect of the charges and expenses of the **Motor Trade Business** payable out of **Gross Profit** that cease or are reduced in consequence of the **Damage**.

**Loss of Rent Receivable**

We will pay in respect of rent receivable the difference between

1. The rent that would have been receivable for the **Premises** during the **Indemnity Period** but for the **Damage** and

2. The amount of rent actually received during the same period less any savings in charges or expenses of the **Business** which
   a. Are payable out of rent receivable and
   b. Reduce or cease due to the **Damage**

If at the time of the **Damage** the sum **Insured** specified in the **Schedule** is less than the rent which but for the **Damage** would have been receivable during the 12 months from the date of the **Damage** (proportionately increased where the maximum **Indemnity Period** exceeds 12 months) You will be **Your own Insurer** for the difference and bear a rateable share of the **Loss**

**Payroll**

We will pay for **Your Loss of Gross Profit** due to payroll in accordance with the provisions below.

The amount payable is:

1. In respect of reduction of turnover:
   a. During the portion of the **Indemnity Period** beginning with the occurrence of the **Damage** and ending not later than the number of weeks after that as specified in the **Schedule**, the sum produced by applying the rate of payroll to the shortage in turnover during the said portion of the **Indemnity Period** less any saving during the that portion of the **Indemnity Period** through reduction in the amount of payroll paid as a consequence of the **Damage**; and
   b. During the remaining portion of the **Indemnity Period**, the sum produced by applying the rate of payroll to the shortage in turnover during the remaining portion of the **Indemnity Period** less any saving during that remaining portion of the **Indemnity Period**, through reduction in the amount of payroll paid in consequence of the **Damage**; but not exceeding the sum produced by applying the percentage of the rate of payroll specified in the **Schedule** to the shortage in turnover during the remaining portion of the **Indemnity Period**, increased by such amount as is deducted for savings under the terms of clause (a) above.
   c. At **Your** option, the number of weeks referred to in clause (a) above may be increased to the number of weeks specified in the **Schedule** under the heading consolidated period.

However, the amount arrived at under the provisions of clause (b) shall not exceed such amount as is deducted under clause (a) for savings effected during the said increased number of weeks.

2. In respect of increase in cost of working – the additional expenditure described in clause (2) of **Gross Profit** exceeds the amount payable under it, but not more than the additional amount which would have been payable in respect of reduction in **Turnover** under the provisions of clauses (a) and (b) of this clause, had such expenditure not been incurred.

**2.6 Conditions**

The following conditions apply to Section 2.

**Accumulated stocks**

In adjusting any **Loss**, account will be taken, and equitable allowances made, if there is a shortage in turnover due to the **Damage** is postponed by reason of the **Turnover** being temporarily maintained from accumulated stocks of finished goods.

**Alterations and forfeiture**

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

**Books of account**

Any particulars or details contained in **Your** books of account or other **Business** books or documents which may be required by **Us** for the purpose of investigating or verifying any claim under this Section must, at **Our** request, be produced and certified by **Your** accountants. An auditors’ certificate will be prima facie evidence of the particulars and details to which such certificate relates.

**Salvage sale**

If, following **Damage** covered under Section 1, **You** hold a salvage sale during the **Indemnity Period**, clause (1) of the **Gross Profit** calculation method will, for the purpose of any claim connected with that **Damage**, apply as follows:

In respect of reduction in **Turnover**: The sum produced by applying the **Rate of Gross Profit** to the amount by which the turnover during the **Indemnity Period** (less the **Turnover** for the period of the salvage sale) shall, as a consequence of the **Damage**, fall short of the standard **Turnover**, from which shall be deducted the **Gross Profit** actually earned during the period of the salvage sale.

For this condition, **Shortage in turnover** means: The amount by which the turnover during a period (less the turnover for the period of the salvage sale) will, as a consequence of the **Damage**, fall short of the part of the standard turnover which relates to that period, from which will be deducted the payroll paid during the period of the salvage sale.
Turnover elsewhere after Damage
If during the Indemnity Period goods are sold or services are rendered other than at the Premises for the benefit of the Business, either by You or by others on Your behalf, the amounts received or receivable in respect of those sales or services will be brought into account in arriving at the turnover during the Indemnity Period.

2.7 Exclusions
We do not cover:
1. legal liability of whatsoever nature, other than legal liability covered specifically under Section 1 or
2. consequential Loss of any kind including consequential Loss due to delay, lack of performance, Loss of contract or depreciation in the value of land or stock, other than covered specifically under this Section.
Section 3 Crime & Contingencies

3.1 The cover
This Section provides You with the covers set out below that have been chosen by You and that are shown as included in the Schedule.

3.1.1 Theft
We will cover You for Loss or Damage to Insured Property caused by Theft in the Period of Insurance. Under this Section, We do not cover Theft:
1. By any of Your Employees, directors or officers;
2. Of Money;
3. Of livestock, animals, birds or fish;
4. Of standing timber, growing crops and pasture;
5. Of jewellery, furs, bullion, precious metals or precious stones other than as stock or merchandise of the Business.

3.1.2 Money
We will insure You against
1. Loss of Money connected to the Business which occurs whilst
   a. In transit
   b. At any of Your Premises
   c. In a bank night safe
   d. At the residence of any principal or authorised Employee of Yours
2. Loss of or Damage to safes or strongrooms at the Premises caused by unauthorised persons attempting to gain entry to the safe or strongroom, anywhere in Australia up to the limits of liability stated in the Schedule for this Section, subject to the limit for any one Loss.
3. Pay for Loss of or Damage to clothing and personal effects belonging to You or any Employee of Yours caused by robbery or attempted robbery occurring in the course of the Business subject to a limit of $500 in respect of any one person.

3.1.3 Glass
We will cover Loss or Damage to Glass in the Period of Insurance in an Event covered by this Section where no other Insured Property is lost or Damaged. Cover under this optional cover is limited to:
1. The cost of repairing or replacing Damaged Glass;
2. Temporary shuttering or hiring of security service pending replacement of Damaged Glass; Maximum: $10,000
3. Frames, Tiles and Stock Damage (as a result of Loss) Maximum: $10,000
4. Signwriting and ornamentation on Glass;
5. Replacement burglar alarm tapes on Glass;
6. Removing and re-fixing of windows and show-case frames and fittings; and
7. Heat reflecting material or process on Glass.
The most We will pay under this additional benefit is the Limit of Liability set out in the Schedule for Glass.

3.1.4 Employee dishonesty
We will cover You for Loss of Money or goods belonging to You or for which You are responsible, caused by dishonesty committed by an Employee during the Period of Insurance.
We will pay You, at Our discretion, the lesser of the:
1. Actual cash value of any Money; or
2. Cost of repairing or replacing goods with any property or material of like quality and value.
We may, with Your consent, settle any claim for Loss or Damage to goods directly with their owner. However:
1. We will not pay more than the limit of indemnity shown in the Schedule for any one Employee and for any Loss that arises out of the act or acts of any one Employee or for which that Employee is concerned or implicated by acting in concert with any other person. The limit of indemnity for any one Employee shown in the Schedule under this Section will be reduced by the total of any claims payable by Us for Losses resulting from the fraudulent or dishonest conduct of that Employee in any period before the current Period of Insurance;
2. For all Losses suffered during the Period of Insurance, We will not pay in total more than the limit of indemnity shown in the Schedule for all Employees.
3. For property Insured other than Money, after payment for any lost property, that property, if recovered will belong to Us subject to Your right to reclaim it upon repayment of any amount paid by Us;
4. For Money, any recovery made either by You or by Us after settlement of the claim will first be applied to any uninsured Loss borne by You.

3.1.5 General Property
We will pay You in accordance with the Basis of Settlement if any of the Property Insured as shown in the Schedule is Damaged by a Defined Event occurring during the Period of Insurance.

3.2 Basis of Settlement
The Basis of Settlement will be:
1. Where Damage to Property Insured can be repaired, the reasonable costs of restoring the Damaged item to its former working order. If You complete the repairs in Your own workshop We will pay the reasonable cost of materials and wages as well as a reasonable allowance to cover the overheads.
2. Where a Damaged item is not repaired:
   a. for items that could not be repaired, the actual value of the item immediately before the Damage; or
   b. for items that could be repaired but have been replaced, the estimated cost that would have been incurred for necessary repairs to return the Damaged item to its former state of serviceability.
   Maximum: $2,000 for any one item
Definitions
The following definitions apply to Section 3

**Defined Event** means the damage or accidental loss to the property insured. It does not include:

1. the cleaning, maintenance, overhaul, repair or renovation, alteration, addition or undergoing a trade process;
2. wear and tear, fading, gradual deterioration or developing flaws, normal upkeep or making good, or any gradual cause;
3. moths, termites or other insects or vermin;
4. scratching, biting or chewing by any animal;
5. chipping, scratching, denting or marring that does not materially affect the use or operation of the property insured;
6. change in colour, loss of weight, change in flavour, texture or finish;
7. the action of light, atmospheric conditions, any form of fungus or extremes of temperature, rust or oxidation, wet or dry rot, corrosion, inherent vice or latent defect;
8. mechanical, hydraulic, electrical or electronic breakdown, burnout, failure, malfunction or derangement of any equipment or device;
9. soot or smoke from industrial operations (other than sudden and unforeseen resultant damage);
10. any faults or defects in any item of property insured that you or any of your employees knew or should reasonably have known about before taking out cover under this Policy Section;
11. unexplained inventory shortage, disappearance resulting from clerical or accounting errors, or shortage in the supply or delivery of materials;
12. testing, experimentation, intentional overloading, misuse or abuse;
13. cracking, scratching or breakage of glass or fragile items unless as a consequence of loss or damage;
14. fraud or dishonesty by you or any other person;
15. detention, confiscation or disappearances by Customs or any lawful authority;
16. the sea, including tidal wave, tsunami, storm surge or high water;
17. faulty materials or faulty workmanship;
18. loss of, or damage to, money or documents of any kind;
19. loss of, or damage to, tools of trade, sporting equipment, any remote controlled devices, guns or musical instruments while they are in use
20. committed by any person or any member of your family or by any of your employees whilst lawfully permitted to enter, be on or at the premises; or of unattended property insured in the open air theft from any building or vehicle unless the property insured was Securely locked, securely affixed or chained.

3.3 Limit of Liability
The most We will pay is the Limit of Liability set out in the Schedule for the specific event.

3.4 Additional benefits
The following additional benefit applies to this cover.

**Employee Dishonesty**
We will also pay for:
1. The fees payable by You to Your auditors to quantify any Loss covered by this additional benefit; and
2. Other costs, charges and expenses reasonably and necessarily incurred by You in connection with the preparation of a claim covered for Employee dishonesty.

**Theft – Director’s or Employee’s property**
We will cover You for the replacement cost of the following property used for the Business and caused by Theft in the Period of Insurance:
1. Personal Property of Your directors or Employees on the Premises at the time of the Loss or Damage; and
2. Tools of trade belonging to Your directors or Employees away from the Premises at the time of the Loss or Damage.

Maximum: $10,000.

3.5 Specific condition
**Burglar alarms**
If a burglar alarm system is installed on the Premises the following conditions apply:

1. the burglar alarm must be well maintained and in good working condition at all times;
2. the burglar alarm must be made operative whenever the Premises are left unoccupied;
3. if the burglar alarm system relies upon either electricity or communication services to operate in the correct manner, electricity and communication services must be connected to the burglar alarm and operational at all times unless the power supply has failed due to unforeseen circumstances beyond Your control.

If You do not comply with the above conditions, any claim arising from Theft will not be covered as these conditions are inherent requirements of Your cover.

3.6 Conditions
The following conditions apply to Section 3:

**Employee Dishonesty**
The following conditions apply
1. This Section extends to cover alterations or additions to Your staff from the date of each alteration or addition subject to You providing, at Our request, a statement showing the total number of Employees and the categories required to ascertain and adjust the Premium and You paying any adjusted Premium to Us.
2. If You are unable to designate the specific Employee causing the Loss, Your claim in respect of such Loss shall not be invalidated by Your inability to do so, provided that the Loss was in fact due to an act of fraud or dishonesty committed during the Period of Insurance by one or more of the Employees.
3. If this Policy supersedes any similar Policy previously held by You, then this additional benefit will apply to...
any Loss which is Discovered by You during the Period of Insurance (or within 12 months after the end of it) and which would have been recoverable by You under such prior Policy but for the fact that the time allowed under that Policy for the Discovery of that Loss had expired, but only if that Loss would have been covered under the terms of this additional benefit had it been in force when the act of fraud or dishonesty resulting in the Loss was committed.

4. Any person who ceases to be Your Employee will be considered as being an Employee for the purposes of this Section for a period of 12 months after such person ceased to be an Employee.

5. You must institute or maintain and continue to employ, in every manner, all such systems of check and control, accounting and clerical procedures and methods of conducting the Business as is reasonable in the circumstances or has been represented to Us, however, You may change the remuneration, conditions of service, duties and position of any Employees. Cover under this option will not be invalidated in the Event of a breach or non-compliance with this condition if such breach or non-compliance occurs without the knowledge or consent of Your officer responsible for insurance.

6. You must, to the extent allowed by law, retain all salary, commission, Moneys or assets or the property of any Employee in respect of whom a claim is made which may be in or come into Your hands or under Your control and apply the same towards making good the amount of any default due to acts covered under this option.

7. However, if the Total Loss to You exceeds the amount recoverable under this item, that retention shall be applied first to the uninsured portion of the Loss.

8. In the Event of the Discovery by You of any Loss or Damage involving suspected fraud or dishonesty by an Employee, You must notify Us in writing of such Loss but may, regardless of anything to the contrary in this Policy, refrain from reporting the matter to the police unless otherwise requested by Us to the contrary.

If You do not comply with the above conditions, any claim arising from Employee Dishonesty will not be covered as these conditions are inherent requirements of Your cover.

### Branded goods

Any salvage of branded goods or merchandise, You own or held by You in trust or on commission, or goods sold but not delivered, will not be disposed of by sale without Your consent. If such salvage is not disposed of by sale, then the Damage will be assessed at the value agreed between You and Us after brands, labels or names have been removed by or on Your behalf.

### Theft – Employee’s Tools

*Maximum: $10,000*
Section 4 – Motor Combined Risks

Definitions
These Definitions apply to all parts of Section 4.

Purpose of use
Means the purpose of use set out in the Schedule which is the use that Your Vehicle can be put to, as follows:
1. Private Use – if You do not use it in connection with earning an income, or if You only drive it to and from work or occasionally in connection with work.
2. Goods Carrying / Trade Use – if registered for Business or used in connection with a recognised trade.
3. Business Use – if registered for Business or used in connection with Your occupation or Business in a way not listed above.
4. Test drive – if any Vehicle from Your stock of Vehicles including customer’s Vehicles is being used for a test drive.

Test drive
Means use of Your Vehicle by You or by any other person with Your permission for the sole purpose of testing a Vehicle prior to sale or purchase.

Section 4.1 – Motor Composite

4.1.1 The Cover
We will cover You against Loss of or Damage to the declared insured Vehicle up to the Insured value occurring during the Period of Insurance. Vehicles are insured anywhere in Australia where the Purpose of Use is declared and agreed by Us, however the Vehicles normal storage must be at the declared Premises.

Loss or Damage to Your Vehicle
We will cover You for Loss or Damage to Your Vehicle:
1. Accidental Damage, including Damage caused by storm or earthquake;
2. Malicious Damage, whilst being used for the purpose of use and caused by an Accident during the Period of Insurance.

Fire and Theft
1. Fire, self-ignition, lightning or Explosion
2. Theft or attempted Theft and not found, including the reasonable cost of:
   a. Protection and removal to the nearest repairers
   b. Delivery to the Premises after repair.
If to Our knowledge the Insured Vehicle is subject to a hire purchase, leasing or contract hire agreement We will pay any outstanding amount due to the owner described in the agreement first with any balance being paid to You.

Contribution to repair work
You, Your customer or the owner of the Customer Vehicle may have to contribute to the cost of replacing or repairing tyres, engines, Accessories, paintwork, bodywork, radiators, batteries, interior trims, or caravan annexes affected by wear and tear or rust and corrosion. How much that is required to be paid will depend on how worn We consider these items were when the Damage happened.

If You, Your customer or the owner of the Customer Vehicle do not agree to these amounts, We will pay the reasonable repair cost less reasonable contribution charges. We will subtract any Excess that may apply

4.1.2 Limit of Liability
The following limits apply:
1. Loss or Damage to Your Vehicle AND Fire and Theft (excluding hail and flood). The most We will pay for Loss or Damage to Your Vehicle is the amount shown and declared on the Schedule or on the stock card value of the vehicle or the Market Value of the Vehicle, whichever is the least.
2. Damage caused by hail to Your Vehicle/s away from the static location that is not a Total Loss is:
   a. if You do not repair the Vehicle, Your Stock Card Value of the vehicle; and
   b. if You do repair the Vehicle, the Market Value of the Vehicle immediately prior to the Damage.
The maximum We will pay for any Event is the Limit of Liability specified in the Schedule. Legal liability
The most We will pay for all claims arising from any one Accident is the Limit of Liability set out in the Schedule, only where the Vehicle is shown in the Stock Card.

4.1.3 Additional benefits
The following additional benefits apply to this Section. These benefits will be payable if a claim is paid under this Section. Unless stated otherwise, these additional benefits are included in the Limit of Liability and not in addition to it.

Dangerous Goods
If your Vehicle is being used for, or in connection with, the transportation, storage, loading or unloading of Dangerous Goods (as defined in the Australian Dangerous Goods Code). If the method of transportation complies with the Australian Dangerous Goods Code and all other legislative and regulatory requirements, We will pay not more than $100,000 each event unless such other amount is specified in the Schedule.

Hail
We will cover You for Damage to Your Vehicles and customer’s Vehicles caused by hail in the Period of Insurance, whilst located at Your Premises. The Maximum claim is $50,000 per event.

Loan Vehicles
If You have advised Us that it is Your practice to provide loan Vehicles (with or without consideration) to selected customers where that customer owns a Vehicle which has been left with You for service or repair, then We agree to cover such loan Vehicles, as if they were Your Vehicle.

The following conditions apply to this additional benefit:
1. You must satisfy Yourself that the customer possesses a valid driver’s licence appropriate for the Vehicle;
2. Full details of the arrangement, including a clear copy of the driver’s licence of the borrower must be recorded in a register of courtesy and loan Vehicles kept by You;

Cover for loan Vehicles are limited to a radius of 100 kilometres from Your Premises.

Lock and Keys Replacement - Vehicles

We will indemnify You in respect of the cost of replacing locks entry key and transponders ignition and steering locks that can be opened or operated with the lost items to maintain security following Theft of keys

Maximum: $15,000.

We will not be liable unless
1. You inform the Police of the Loss as soon as it is Discovered
2. There is a reasonable belief that such keys and transponders are in the possession of a person other than You and the person will know the identity and location of the Vehicles

Signwriting clause

We will pay for any Loss of or Damage to signwriting and artwork where reinstatement is required Maximum: $1,000 each event.

Towing and storage

If We accept a claim for Loss or Damage to Your Vehicle, We will pay the reasonable cost of protection, removal and towing of Your Vehicle to the nearest repairer, place of safety or any other place which We agree to.

Maximum: $50,000.

Trailers

Cover under this Section is extended to apply to the following, as if they are Your Vehicle:
1. Your 2-wheel box, boat or similar trailer (but not a caravan);
2. Your motorcycle trailer or sidecar;
3. Any trailer or drawn implement.

We will not pay for Loss, Damage or liability to or caused by:
1. property being carried in or on the trailer, drawn implement or sidecar;
2. tarpaulins, gates and binders; or
3. If more than one trailer, drawn implement or sidecar is attached to Your Vehicle. This additional benefit does not apply to any Vehicle being towed by Your Vehicle.

Testing, delivery, collection and loan and use of Vehicle

We agree to insure as if they were You, any person who is driving Your Vehicle, with Your consent, for the purpose of testing, demonstrating, collecting, delivering, on any public or private Road, thoroughfare or Your Premises.

The following conditions apply:

1. You must clearly identify that the borrower possesses a current, valid driver’s license applicable for the Vehicle; and
2. Record and keep full and complete details of the driver and a clear photocopy of the borrower’s current license.
3. Maximum radius allowed is 100KM from Your Premises, with the exception of collection and delivery of Vehicles, however this must be for Business use only.
4. Additionally for Your stock Vehicles:
   a. Accompanied test drive – a responsible member of Your staff accompanies the borrower and the member of staff does not voluntarily leave or vacate the Vehicle without possession of the Vehicle’s keys; or
   b. Unaccompanied test drive – You must obtain a clear copy of the borrower’s current and valid driver’s license, as well as at least one other form of identification. Both forms are to be verified by Your staff. The second form of identification is required regardless to whether the identification is genuine or not, it is a form of deterrent to any would be thief. Furthermore, an additional Excess of $5,000 or 10% (whichever is the greater), applies in addition to all other applicable Excesses.

4.1.4 Exclusions

We will not pay a claim for:

Above the 26th Parallel
Occurrence arising from a Cyclone, Storm or Flood where the Occurrence occurs above the 26th parallel

Approved Fuel Systems
Loss or Damage is caused by a fuel system which does not comply with the relevant Australian Standard.

Damage to tyres
Damage to tyres or wheel rims due to application of brakes, side slips, cuts, bursts or punctures or otherwise resulting from any cause other than an Accident involving the Insured Vehicle.

Deception
Losses arising out of or from, in connection with, directly or indirectly by deception, false pretences or a loss by theft committed by a Bailee, your employee or customer (including and not limited to any buying or selling transactions).

Drivers Under 25
We will not pay a claim arising from an Occurrence where the Vehicle value is over $100,000 and the driver was under 25.

Vehicles worth more than $200,000
For Vehicles worth more than $200,000 there is no cover for drivers under 30, no cover for personal use, 150km maximum radius from Your Premises allowed.

Driving Under the Influence of Drugs/Alcohol
For **Damage** incurred while **Your Vehicle** is being driven by or in the charge of any person (including **You**):
1. Whose faculties are impaired by or who is under the influence of alcohol or drugs, or alcohol and drugs;
2. Who is convicted of driving or being in charge of such **Vehicle** while under the influence of alcohol or drugs or alcohol and drugs;
3. In whose breath or blood the concentration of alcohol equals or exceeds that prohibited by the law applicable in the State or Territory at the time when the **Accident** which would otherwise give rise to a claim under this **Policy** occurred, as indicated by analysis of the person’s breath or blood; or
4. Who fails or refuses:
   a. To provide a specimen, or sample of breath for analysis by a breath analysing instrument;
   b. To provide a specimen or sample of blood for a laboratory test or blood test; or
   c. To comply with a direction or requirement of a member of the police force or other authorised person as to the provision of a specimen or sample of breath for analysis by a breath analysing instrument, a specimen or sample of blood for a laboratory test or blood test, where such specimen or sample is sought or such direction or requirement is made to ascertain the concentration of alcohol or drugs in such person’s breath or blood while the **Vehicle** was being driven by or in the charge of such person.

However, any exclusions in the above paragraphs 1, 2, 3 or 4 do not apply if:
1. There is any relevant statutory provision to the contrary or to the extent that there is any statutory provision which allows for an election by a person as to the specimen or sample such person may provide or which exempts a person from providing any specimen or sample but only to the extent of such election or exemption; or
2. **You** prove that **You** did not consent to the **Vehicle** being either driven by or in the charge of any such person (if that person was not **You**).

**Hire or Reward**

**Your Vehicle** is used for carrying passengers for hire or reward, except for a private pooling arrangement or when **You** receive a travelling allowance from **Your** full time employer.

**Illegal Purpose**

**Your Vehicle** is used for any illegal purpose with **Your** consent.

**Overloaded Vehicle**

**Your Vehicle** is used to carry or tow a load or carry passengers greater than that for which **Your Vehicle** was constructed.

**Personal Injury**

**Property Damage to Vehicles other than Your Vehicles**

**Racing**

Any **Accident**, injury, **Loss** or **Damage** occurring while the insured **Vehicle** is being used for racing and/or speed tests.
Seizure of Vehicle
Loss, Damage or liability after Your legal interest in Your Vehicle ceases, or Your Vehicle is seized or taken possession of by any persons lawfully entitled to do so.

Stolen Vehicles
We do not cover stolen Vehicles by any of Your employees, directors or officers or anyone legally authorised on the Premises. Vehicles stolen resulting from or involving the use of the Vehicle’s own key (whether the operation and/or ignition of the Vehicle is by the use of a manual key or keyless process). Provided that this exclusion will not apply where:
1. the Vehicle’s key is locked within a safe; and is obtained by violent and forcible means; or
2. the Vehicle’s key is obtained by violence or force, or threat of violence or force, to You, a bailee, Your Employee or customer.

Test and Demonstration Vehicles
Loss or Damage subsequent to Theft of a Vehicle, provided that this exclusion will not apply where:
1. Accompanied test drive
   a. A responsible member of Your staff accompanies the test drive and the member of staff does not voluntarily leave or vacate the Vehicle without possession of the Vehicle’s keys; or
2. Unaccompanied test drive
   a. A clear photocopy of the test driver’s current and valid driver’s licence and at least one other form of identification are obtained by You.

Trailers
For Damage caused or contributed to by more than the legally permitted number of trailers being attached to Your Vehicle.

Unregistered Vehicles
If Your Vehicle is unregistered at the time of the event giving rise to the claim.

Unroadworthy Condition
Your Vehicle is used in an unroadworthy or unsafe condition. However, We will cover You if the condition could not reasonably have been detected by You or that the Loss, Damage or liability was not caused by or contributed to by the unroadworthy or unsafe condition.

Vehicle used on rails
If Your Vehicle is used on rails or tracks at the time of Accident.

The General Exclusions are applicable to all Sections.

4.1.5 Conditions
The following conditions apply to this Section:

At the Accident scene
You must do the following at the scene of any Accident:

1. Notify the police: If there is serious Damage to property, including the Vehicles involved, or if any person is injured.
2. Obtain full details: Write down full particulars of any other Vehicles involved - registration number, year, make, model, full name and address of driver and registered owner and licence details, and other person’s insurance company, date and time of Accident.
3. Admit nothing: Do not make any admission of liability or offer to pay for any Damage, otherwise You will violate the conditions as laid out in Your Policy.
4. Seek witnesses: If possible, obtain the name, address and telephone number of all witnesses.

After the Accident
You must do the following at the scene of any Accident:

1. Provide Us with full details: As soon as possible after the Accident, supply Us with full details in writing. You are also required to send any correspondence from other parties to Us, as well as any notice of impending prosecution or details of any inquest or official inquiry.
2. Take steps to protect and safeguard the Vehicle and retain any salvage.
3. Do not authorise repairs (including windscreen or Glass breakage) without Our prior written consent.
4. Do not take legal action: We will attempt to recover any outstanding debt resulting from an Accident, and if circumstances warrant, may elect to undertake Your defence in any court and represent You at any inquest or official inquiry, provided You have complied with the terms of the Policy.

You must comply with the above conditions at the Accident scene and after the Accident. Failure to comply with such listed conditions may affect the amount that You may be able to claim and/or cover may be cancelled.

Non-Standard Parts / Accessories / Repairs / Spray Painting
For Vehicles with non-standard parts / accessories / repairs / spray painting, the maximum payment We will make would be the cost of a standard part / accessory / spray painting.

Prevention of Loss or Damage
You must take all reasonable precautions to secure Your Vehicle or Customer Vehicle against unauthorised entry when it is unattended. Failure to comply with this condition may affect the amount that You may able to claim arising from Theft and/or cover may also be cancelled.

Sub-Contractors
It is a condition precedent that all sub-contractors have their own insurance (active Public Liability with a minimum $1,000,000 cover), valid licenses and that the policyholder actively ensures these are at all times valid, both on employment and regularly thereafter. This Policy will not respond where a sub-contractor does not have adequate insurance or licenses.
Valid License
It is a condition precedent that all Employees hold valid, current, appropriate licenses for tasks they carry out for You or at Your request. It is Your responsibility to actively ensure these licenses are at all times valid. This Policy will not respond where Employees do not have an adequate license.

Vehicles at each Declared Situation / Location
It is a condition precedent that Vehicles must be kept within the locked / enclosed property boundary (inside bollards / perimeter fencing) of the Premises after Business hours, when not trading or when the Dealership is closed. This condition does not apply to Vehicles that are not at the Business location for Business purposes, where they are in the care custody and control of another Business and not for storage. This policy will only provide cover for declared vehicles stored at a declared location as a condition precedent.

Section 4.2 – Inland Transit

4.2.1 The cover
We will indemnify You in respect of Damage to Insured Property occurring during the Period of Insurance whilst being carried anywhere within Australia including whilst
1. Loading and unloading  
2. Temporarily stored in or on a Vehicle during transit  
We will not cover any period of time during which the Insured Property is in storage either overnight or otherwise, other than in the ordinary course of transit, except as otherwise provided in this Section.

4.2.2 What We cover
We will calculate the amount We will pay for a claim under this Section as follows:
1. For Vehicles, the invoice value plus any freight charges payable;  
2. For parts and Accessories, the invoice value plus any freight charges payable.  
3. Where Insured Property has been Damaged and can be economically repaired, We will pay the cost necessary to reinstate or repair the Damaged Property to a condition substantially the same as, but not better or more extensive than, its condition at the time of the Damage.

4.2.3 Limit of Liability
Our liability under this Section shall not exceed the limits stated in the Schedule or limit specified in any extension to this Section arising out of any one Event at any one location to any one load or combination of loads of property Insured in transit.

4.2.4 Additional benefits
The following additional benefits apply to this Section. Unless stated otherwise, cover under these additional benefits is included, and not in addition to, the Limit of Liability.
Extra costs and expenses
We will indemnify You for costs and expenses reasonably incurred by You with Our consent.
1. In transferring the Insured Property to any other Vehicle or trailer or delivering such property to its original destination or returning to its place of dispatch consequent upon collision or overturning of the conveying Vehicle or trailer up Maximum: $5,000 any one claim
2. The reloading of property Insured to the conveying Vehicle or trailer following accidental discharge Maximum: $5,000 any one claim
3. The removal of Debris and site clearance following Damage to property Insured Maximum: $10,000

Removal of Debris
We will cover the cost of removal and disposal of Damaged, deteriorated or contaminated Insured Property and the cost of cleaning up or decontaminating the Premises, location or conveyance.
Maximum: $100,000 for any one event.
Under this additional benefit, the term “ordinary course of transit” is extended to include the following:
1. Whilst in any packer’s Premises for the purpose of packing;
2. Whilst at any exhibition or display (other than in Your Premises);
3. Any period where the Insured Property is ‘shut-out’ from the conveyance or intended destination; and
4. Any Insured Property which has been ‘over-carried’, until returned to the place of destination.
General average and salvage clause:
1. We will pay general average and salvage charges payable by You up to the Limit of Liability.
It is a condition of this additional benefit that all Insured Property is Insured for not less than the amounts payable under this Policy for that property.

4.2.5 Exclusions
We will not pay for any Loss, Damage or expense caused by or resulting from:
Damage caused by
1. Defective or inadequate packing insulation or labelling delay inadequate documentation disappearance or unexplained or inventory shortage
2. Evaporation or ordinary leakage
3. Vermin, insects, wear and tear, inherent vice, latent defect, gradual deterioration
4. Pollution and Contamination
5. An existing or hidden defect
6. Indirect or consequential Loss
7. Vibration denting scratching or bruising
8. Mechanical or electrical breakdown derangement defect or failure
Damage caused by deterioration or variation in temperature unless directly consequent upon fire, Theft or overturning or collision of the carrying Vehicle
Damage caused by Theft or attempted Theft of the property Insured and/or tools and/or clothing and personal effects from any unattended Vehicle being any Vehicle with no person in charge or keeping the Vehicle under observation and able to observe or prevent any attempt by any person to interfere with the Vehicle unless You have ensured that
1. All doors windows and other points of access have been locked where locks have been fitted and
2. All manufacturers’ security devices have been put into effect and
3. The keys have been removed from any unattended Vehicle and
4. Unattached trailers have anti-hitching devices fitted and they are put into effect
Damage resulting from Theft or attempted Theft from any unattended Vehicle during the hours from 9pm until 6am unless such Vehicle is
1. Garaged in a securely locked Building of substantial nature or
2. A compound which has secure walls and/or fences and securely locked gates
Property in transit for hire or reward
Loss of market or indirect or consequential Loss

4.2.6 Conditions
The following conditions apply to this Policy:

Reasonable Care
You must
1. Only employ reliable and competent drivers and
2. Allow Us access to examine any Vehicle which You operate or Premises from which You operate

Any claim arising from non-compliance of the above conditions may affect the amount You can claim.

Brands and labels clause
Any Insured Property bearing identifying brands or labels or other permanent markings, may be retained by You to dispose of as You see fit, provided a reasonable allowance is agreed for the value of the Insured Property and this allowance is deducted from the claim settlement.
Where only the labels or packaging are affected, We will pay You only the cost to recondition or replace labels or packaging.

No cover for carrier
Cover will not be provided for the benefit of the carrier or other bailee.

Section 4.3 – Third Party Property extension

4.3.1 The cover
We will indemnify You in respect of amounts You are legally liable to pay for property Damage to Vehicles or Watercraft which are not Your Property occurring as a result of You driving Your Vehicles or Watercraft including Loading and unloading same.
4.3.2 What We cover
We will calculate the amount We will pay for a claim under this Policy as follows:
1. For Vehicles, the invoice value plus any freight charges payable;
2. For parts and Accessories, the invoice value plus any freight charges payable.
3. Where the third party’s Property has been Damaged and can be economically repaired, We will pay the cost necessary to reinstate or repair the Damaged Property to a condition substantially the same as, but not better or more extensive than, its condition at the time of the Damage.

4.3.3 Limit of Liability
Our liability under this Policy shall not exceed the limits stated in the Schedule or limit specified in any extension to this Policy, arising out of any one Event at any one location.

4.3.4 Additional benefits
The following additional benefits apply to this Section. Unless stated otherwise, cover under these additional benefits is included, and not in addition to, the Limit of Liability.

Removal of Debris
If You are legally liable to pay the cost of removing Debris or cleaning up or removing goods that have fallen off Your Vehicle because it was in a collision or it overturned in an Accident covered by this Policy, We will pay those costs, Maximum: $10,000.
1. We will not pay if the goods or Debris are Dangerous Goods.
2. This additional benefit applies in addition to the Limit of Liability.

Towed Vehicle
We will pay any amount You are legally liable to pay in respect of damage to another Vehicle or Watercraft as a result of an Accident in the Period of Insurance for Loss of or Damage to property arising out of any Vehicle being towed, carried or retrieved by Your Vehicle; and for Damage to any Vehicle being towed or retrieved by Your Vehicle. Maximum: $150,000. We will only cover You under this additional benefit if Your Vehicle and the Vehicle being towed, carried or retrieved are being operated in accordance with any law relating to the use of a tow truck.

4.3.5 Exclusions
We will not indemnify You in respect of any amounts You are legally liable to pay for
1. any Loss, Damage or expense other than Damage to any property which is not a Vehicle or Watercraft
2. Personal Injury
3. consequential, financial or economic Loss.
Section 5 – Broadform Liability

5.1 The cover
Where this Section is shown as insured on the Schedule, We agree to indemnify You against all amounts which You become legally liable to pay as compensation for Personal Injury or Property Damage as a result of an Occurrence first happening in connection with Your Motor Trade Business during the Period of Insurance, within the Territorial Limits.

5.2 Definitions
The following definitions apply to this Section:

**Employment Practices**
Means any wrongful or unfair dismissal, failure to promote, negligent reassignment, negligent disciplinary action, denial of natural justice, refusal to employ, demotion, negligent evaluation, harassment, invasion of privacy, defamation, misleading representation or advertising, sexual harassment or discrimination in respect of Your Employees.

**Hovercraft**
Means any vessel, craft or device made or intended to float on or in or travel on or through the atmosphere or water on a cushion of air provided by a downward blast.

**Incidental Contracts**
Means:
1. Any written rental agreement or lease of real property which does not impose on You:  
   a. An obligation to insure such property;  
   b. Any liability regardless of fault;  
2. Any written contract with any public authority for the supply of Water gas or electricity but only to the extent of indemnifying any such authority in respect of liability arising out of Your Motor Trade Businesses and excepting contracts for the performance of work or provision of services by You.

**Limit of Liability**
Means the amount stated in the Schedule.

**Medical Persons**
Means legally qualified, enrolled and registered medical practitioners, legally qualified registered nurses, dentists and first aid attendants.

**Occurrence**
Means an event including continuous or repeated exposure to substantially the same general conditions, which results in Personal Injury or Property Damage that is neither expected nor intended (except for matters set out in the definition of Personal Injury in sub paragraph 5.) from Your standpoint. All events of a series consequent upon or attributable to one source or original cause shall be deemed to be one Occurrence.

**Product**
means anything manufactured, constructed, erected, assembled, installed, grown, extracted, produced or processed, treated, altered, modified, repaired, serviced, bottled, labelled, handled, sold, supplied, distributed, imported or exported, by You or on Your behalf, including any packaging or containers thereof, including the design, formula or specification, directions, markings, instructions, advice or warnings given or omitted to be given in connection with such products and anything which by law You are deemed to have manufactured in the course of the Business including discontinued products.

**Property Damage**
Means:
1. Physical damage to, loss of or destruction of tangible property including any resultant loss of use; or  
2. Loss of use of tangible property that has not been physically damaged, lost or destroyed provided such loss of use is caused by physical damage to, loss of or destruction of other tangible property.

**Territorial Limits**
Means:
1. Anywhere within Australia or its external territories;  
2. Elsewhere in the world but only in respect of:  
   a. Travelling Employees and/or directors or partners who are normally resident in Australia and who are not undertaking manual work or supervision outside of Australia or its external territories;  
   b. Your products exported to anywhere in the world except the United States of America or Canada or any country, territory or protectorate to which the laws of the United States of America or Canada apply.

**Vehicle**
means any type of machine, including attachments, that is designed to travel on wheels or on self-laid tracks made or intended to be propelled by mechanical power.

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

5.3 Limits of Liability
Our liability shall not exceed the Limit of Liability in respect of any one claim or series of claims caused by or arising out of one Occurrence.

However, for claims caused by or arising out of any Product, Our liability shall not exceed the Limit of Liability:
1. for one claim or series of claims; and  
2. for all claims during the Period of Insurance.

5.4 Additional benefits
The following additional benefits apply to this Section. These supplementary benefits are included within Our Limit of Liability and not in addition to it.
Legal costs
If We agree to pay a claim under this Section, in addition to the Limit of Indemnity, We will pay legal costs incurred by Us or by You, after We have provided Our written consent, in the investigation, defence or settlement of a claim for compensation made against You.

Additional costs
We will pay the following additional costs incurred by You in connection with an Occurrence covered by this Section:
1. First aid costs, other than medical costs which We are not allowed to pay by law; and
2. Costs incurred for temporary repairs, shoring up or protection of Damaged property of others.

Expenses
With Our written consent, We will reimburse You for all reasonable expenses You incur in connection with any claim made against You that is covered by this Section, other than loss of earnings.

5.5 Exclusions
We will not indemnify You under this Section in respect of liability:

Aircraft, Hovercraft and Watercraft
Directly or indirectly arising from:
1. the ownership, operation, maintenance or use by You or on Your behalf of any Aircraft or Hovercraft;
2. any of Your products which are incorporated into the structure, machinery or controls of any Aircraft or Hovercraft; or
3. the ownership, operation, maintenance or use by You or on Your behalf of any Watercraft exceeding ten (10) metres in length whilst such Watercraft is on, in or under water.

Aircraft landing areas
Directly or indirectly arising from any of the use of any land, property or structure as an airport, Aircraft hangar or Aircraft landing area, where such airport, Aircraft hangar or Aircraft landing area.

Assault and battery
Arising out of assault and/or battery committed by You or at Your direction. However, this exclusion will not apply when such assault and/or battery is committed for the purpose of preventing Personal Injury or property Damage or eliminating danger to a person.

Cyber and Data Total Exclusion
For loss, damage, claim, fines, penalties, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any:
1. Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident; or
2. loss of use, reduction in functionality, repair, replacement, restoration, reproduction, loss or theft of any Data, including any amount pertaining to the value of such Data; regardless of any other cause or event contributing concurrently or in any other sequence thereto.
In the event any portion of this provision is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
This provision supersedes any other wording in the Policy or any endorsement thereto having a bearing on a Cyber Act, Cyber Incident or Data, and, if in conflict with such wording, replaces it.
If We allege that by reason of this endorsement that loss sustained by You is not covered by this Policy, the burden of proving the contrary shall be upon You.

Defamation, libel and slander
Directly or indirectly arising from the publication or utterance of any libellous, slanderous, defamatory or disparaging material:
1. Made prior to the commencement of the Period of Insurance;
2. Made at Your direction or with Your authority and with knowledge of its falsity; or
3. Related to advertising, broadcasting, telecasting or publishing activities conducted by You or on Your behalf.

Employer’s Liability
For any loss of damage:
1. for which You are or would be entitled to indemnity under any fund scheme, policy or insurance or self-insurance pursuant to or required by any legislation relating to workers compensation whether or not such insurance has been effected;
2. imposed by the provisions of any industrial award or agreement or determination or any contract of employment or workplace agreement where such liability would have been imposed in the absence of such industrial award or agreement or determination or any contract of employment or workplace agreement;
3. related to Employment Practices.

Erection and alterations to Buildings
The erection, demolition of or alteration or addition to Buildings by You or on Your behalf.

Faulty Workmanship
Directly or indirectly caused by, arising from or in any way connected with the cost of reinstating, repairing, replacing, performing, completing, correcting or improving any work done or undertaken by You on Your behalf.
However, this Exclusion does not apply to Property Damage to any Vehicle directly or indirectly caused by, arising from or in any way connected with the cost of reinstating, repairing, replacing, performing, completing, correcting or improving any work done or undertaken by You or on Your behalf, provided that:
1. Our liability shall be limited to an amount equal to the wholesale price of parts, freight costs and net
labour costs necessarily and reasonably incurred to reinstate, repair, replace, perform, complete, correct or improve any work.

2. **Our** liability shall not exceed $30,000 for any one Occurrence and $50,000 in the annual aggregate for all such claims, unless otherwise stated in the Schedule.

**Imports**

*Products* imported by **You** and distributed or sold on.

**Liability assumed under contract**

Assumed under contract or agreement that requires **You** to:

1. Effect insurance over real or personal property;
2. Assume liability regardless of fault.

However, this exclusion does not apply to:

1. liabilities that would have been implied by law in the absence of such contract or agreement;
2. liabilities assumed under Incident Contracts;
3. terms regarding the merchantability, quality, fitness or care of *Your Products* which are implied by law or statute; or
4. liabilities assumed under contract specifically designated in the Schedule or in any endorsement(s) to this Policy.

**Loss of use**

Arising from the loss of use of tangible property, which has not been physically lost damaged or destroyed, resulting from:

1. Delay in or lack of performance by **You** or on **Your** behalf of any contract or agreement; or
2. The failure of *Your Products* to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by **You**.

However, this Exclusion does not apply to loss of use of other tangible property resulting from the sudden and accidental physical damage to or destruction of *Your Products* after such Products have been put to use by any person or organisation other than **You**.

**North America**

1. Brought in a court of law with the territorial limits of North America;
2. Arising out of the enforcement of any judgement, order or award obtained within, or determined pursuant to, the laws of North America;
3. Arising out of *Products* which to **Your** knowledge at the time of **Your** acceptance of this Policy or any subsequent renewal would be exported to North America.

**Own Property Damage**

Arising out of or in any way connected with Property Damage to property owned by, leased, hired on loan or rented to, or otherwise in **Your** physical or legal control. However, this Exclusion shall not apply to:

1. Premises or part(s) of premises (including their contents) which are leased or rented to **You** for the purpose of **Your Business**, however coverage does not extend to any liability where **You** have assumed

the responsibility to effect or maintain insurance with respect to such premises;
2. personal clothing and effects of **Your** directors, employees and visitors;
3. (a) premises (and/or their contents) temporarily occupied by **You** for the purpose of carrying out work in connection with **Your Business**; or
   (b) any other property temporarily in **Your** possession for the purpose of being worked upon;
   But no indemnity is granted under 3.(a) and 3.(b) for physical damage or destruction to that part of any property upon which **You** are or have been working on if the physical damage or destruction arises solely out of such work;
4. Any Vehicles (including its contents, spare parts and accessories while they are in or on a vehicle) not belonging to or used by **You** whilst such Vehicle is within a car park owned or operated by **You**, unless part of **Your Business** is the operation of a car park for reward;
5. Property Damage to any Vehicle temporarily in **Your** possession for the purpose of parking and unparking such vehicle; and

Any other property (except property owned by **You**) temporarily in **Your** physical or legal care, custody or control, provided that **Our** liability for all claims during the Period of Insurance under this point 6 shall not exceed $250,000 for each and every Occurrence, or as otherwise stated in the Schedule.

**Participation**

directly or indirectly arising out of or in any way connected with, the “Participation” in any sport, exercise or activity including but not limited to rally driving, motor racing, any Vehicle activity on a race track, competitive motor sports, aerobics, athletics, football, aquatic, aerial or equestrian activity.

For the purposes of this exclusion, “Participation” includes the participation, training or practice for, supervision or control of such activities.

**Penalties, fines and damages**

For fines, penalties, liquidated damages, punitive damages, exemplary damages, aggravated damages and any additional damages resulting from the multiplication of compensatory damaged.

**Pollution or Contamination**

Directly or indirectly arising out of or caused by, through, or in connection with Pollution or Contamination.

**Product defect**

Directly or indirectly arising from any defective, design or error in specification or formula in any of **Your** Products.

**Product guarantee**

Directly or indirectly arising from any warranty or guarantee given by **You** or on **Your** behalf in respect of **Your Products**, but this exclusion does not apply to the
requirements of any legislation as to product safety and information.

**Product recall**
Arising directly or indirectly out of, or caused by, through or in connection with the withdrawal, inspection, repair, replacement, modification or loss of use of Your Products or of any property of which such Products form a part if Your Products are withdrawn from the market or from use.

**Professional liability**
Directly or indirectly arising out of or in any way connected with any breach of duty owed in a professional capacity or any error or omission in connection therewith by You or any person for whose breach of duty You may be liable. However, this exclusion does not apply to the rendering of or failure to render medical advice by medical persons employed by You to provide first aid and other medical services on Your Premises.

**Spray Drift**
directly or indirectly caused by, arising from or in connection with the drifting of particles, forming part of any spraying process, being carried out to and depositing on any surface not intended to be sprayed upon by You or on Your behalf.

**Tobacco Products**
Caused by or arising directly or indirectly out of or in connect with:
1. The effects of cigarette or tobacco smoking allowed within Your premises; or
2. The sale, distribution or supply of cigarettes or tobacco products in the course of the Business.

**Towed Vehicle**
Arising out of any Vehicle being towed, carried or retrieved by Your Vehicle, unless Your Vehicle and the Vehicle being towed, carried or retrieved are being operated in accordance with any law relating to the use of a tow truck. Provided that Our liability shall not exceed $150,000 for any one Occurrence.

**Vehicles**
Arising from or caused by the ownership, operation, use, possession or control of any Vehicle or any attachment to any such Vehicle:
1. Which is registered or is legally required to be registered under any legislation; or
2. In respect of which compulsory liability insurance or statutory indemnity is required by virtue of any legislation, whether or not such insurance has been effected.
However, this exclusion does not apply to:
1. Claims in respect of Personal Injury where compulsory liability insurance or statutory indemnity does not provide indemnity, and where the reason or reasons why compulsory liability insurance or statutory indemnity does not provide an indemnity does not involve a breach of any legislation by You; 2. the loading and unloading of goods to or from any Vehicle; 3. The delivery or collection of goods to or from any Vehicle; 4. the operation or use of any Vehicle which is designed primarily for lifting, lowering, loading or unloading whilst being operated or used by You or on Your behalf; 5. the use of any tools, implements, machinery or plant attached to or towed by a Vehicle whilst being used by You at Your premises or on any worksite; 6. Property Damage to Vehicles not belonging to You or used by You or on Your behalf, but in Your care, custody or control, subject to a maximum of $250,000 any one Occurrence or any higher Limit of Liability set out in the Schedule; or

**Vibration and removal of support**
Arising directly or indirectly from vibration or from the removal or weakening of or interference with support to land, buildings or any other property.

### 5.6 Conditions
The following conditions are specific to this Section:

**Discharge of liabilities**
We may at any time pay to You or on Your behalf in respect of all claims against You:
1. The amount of the Limit of Liability (after deduction of any sum or sums already paid by Us); or
2. Any lesser sum for which the claim or claims may be settled.

Upon such payment We will relinquish conduct or control of the defence of all claims against You and will have no further liability under this Policy in connection with such claim or claims. Provided that We will pay for costs, charges and expenses recoverable from You in respect of the period prior to the date of such payment (whether or not this is pursuant to an order made subsequently) or incurred by Us or by You with Our written consent prior to the date of such payment.

**Property inspection**
We may at any reasonable time inspect Your property or property which You occupy or are responsible for.

**Subrogation**
In the event of any payment under this Policy, We will be subrogated to all of Your rights of recovery against any person or organisation and You shall execute and deliver any appropriate instruments and papers and do whatever else is necessary to secure such rights. Any amounts recovered shall be applied in accordance with the provisions of s.67 of the Insurance Contracts Act 1984.
Section 6 Equipment Breakdown

6.1 The cover
We will cover You for Loss or Damage to equipment which is in use or connected ready for use at Your Premises as a result of a Breakdown that happens during the Period of Insurance. We will also cover You for Loss or Damage to other Equipment directly Damaged by a Breakdown to equipment covered under this Section.

What We cover

Equipment
For all equipment, We will, at Our option:
1. Repair the equipment or replace the equipment with similar (not necessarily new) property of like kind, capacity, size, quality and function; or
2. Pay You the lesser of the cost to repair the equipment or replace the equipment with similar (not necessarily new) property of like kind, capacity, size, quality and function.

If We agree that You can carry out the repairs at the Premises or at a workshop owned by You, We will pay the actual costs of materials and wages incurred plus a reasonable overhead mark-up, provided that a qualified person carries out the repairs.

If it is necessary to replace parts that are unavailable, We will not pay more than the estimated cost of similar parts currently available. If similar parts are unavailable, We will not pay more than the manufacturers, or suppliers, latest list price.

We will also pay the reasonable and necessary cost of cleaning, storing, recycling or replacing any gas or fluid used as transfer or insulating media in the operation of the equipment.

For all exposed film, records, manuscripts, drawings and other valuable papers and records, that are lost or Damaged as a result of a Breakdown covered by this Section, We will pay You the cost of blank material and the cost of transcription from duplicates or from originals.

For all other Insured Property covered under this Section We will, repair or replace the Insured Property or pay You the cost to repair or replace the Insured Property, whichever is lesser.

6.2 Definitions
The following definitions apply to this Section:

Breakdown
Means the sudden and Accidental Damage to an item of equipment or a part of it, which manifests itself at the time of its occurrence by Damage to the item of equipment or part thereof that necessitates its repair or replacement, but breakdown does not mean:
1. Depletion, deterioration, corrosion or erosion of material;
2. Wear and tear;

3. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
4. Vibration or misalignment;
5. The failure of any structure, foundation or setting (other than bedplate) supporting the equipment or any part of it;
6. The functioning of any safety device or protective device; or
7. The cracking of any part of a gas turbine exposed to the products of combustion.

Commencement of liability
Means:
1. The local time at the Premises at the time of the Breakdown; or
2. Twenty four hours before notice of the Breakdown is received by Us; whichever is later.

Equipment
1. Means all equipment of the type less than 10 years old described below that is owned, leased, operated or controlled by You including:
2. Any Pressure Plant;
3. Any mechanical or electrical machine or electrical apparatus used for the generation, transmission, transformation or utilisation of mechanical or electrical power; or
4. Any electronic equipment used:
   a. For the generation, control, transmission, reception, recording, reproduction, playback or other use of television, radio or telephone signals;
   b. For research, diagnostic, treatment, experimental or other medical or scientific purposes;
   c. For starting, stopping, controlling or monitoring one or more Insured items of equipment.

However, Equipment does not include:
1. Any Vehicle, locomotive or rolling stock, Watercraft or Aircraft;
2. Any power shovel, excavator, dragline or other mobile equipment. However, the meaning of equipment shall include any electrical equipment used with such machine or equipment;
3. Any belt, rope or chain;
4. Any refractory or insulating material;
5. Any anode tube, laser source head or tube, ultrasound probe or head, klystron tube, x-ray or video amplifier tube;
6. Any die, mould, or template;
7. Any hose, any piping or any electrical reticulating system in or under Water (whether or not in conduit);
8. Buried piping (except such piping included in Pressure Plant), sewer piping, drainage piping, sprinkler system or its accessory equipment;
9. Any penstock, draft tube or well casing;
10. Any digital camera, mobile phone, tablet, drone or removable satellite system; or
11. Any elevator, escalator, crane, hoist or conveyor other than any Pressure Plant, pump, compressor,
fan, blower, engine or turbine and the following connected to such machine or apparatus;
   a. Any separate enclosed gear set connected to such machine or apparatus by a coupling, clutch or belt;
   b. Any electrical equipment; or
   c. Any electronic equipment used solely to start, stop, control or monitor such machine or apparatus.

6.3 Excess
The amount We pay You under this Section arising from any one Breakdown will be reduced by the Excess. If a time Excess is shown in the Schedule as applying to this Section, We will not be liable for any Loss or expense arising during the period after the commencement of liability and prior to the expiry of the specified number of hours specified for the time Excess. If more than one time Excess is applicable to any one Breakdown, then only the highest applicable time Excess for that coverage shall apply.

6.4 Limit of Liability
Our maximum liability under this Section for any one Breakdown, and in the aggregate for all Breakdowns in the Period of Insurance, is the Limit of Liability set out in the Schedule.

6.5 Additional benefits
The following additional benefits apply to this Section. These benefits will be payable in the event that a claim is paid under this Section (other than the optional covers).

Professional fees
We will pay for the reasonable and necessary fees authorised by Us which are payable to auditors, accountants, lawyers, architects, engineers or other professionals for producing and certifying information required by Us to establish the amount payable under this Section, including under the optional covers. This does not apply to any amount paid or payable to Your Employees or to third party loss adjusters appointed by You. We will not pay more under this additional benefit than the Limit of Liability set out in the Schedule for professional fees.
Maximum: $25,000

Expediting expenses
We will pay the reasonable extra cost, including overtime and the extra cost of express or rapid means of transportation, necessary to:
   1. Make temporary repairs;
   2. Expedite permanent repairs; or
   3. Expedite permanent replacement, of the Damaged equipment or other Insured Property.
We will not pay any costs relating to any property installed to replace the function of the Damaged equipment or other Insured Property on a temporary basis.
Maximum: $25,000

Temporary hire costs
We will pay for the hiring of temporary property, necessary to keep the Business operating as nearly as practical as before the breakdown, up to:
   1. 50% of the normal cost to repair or replace the Damaged equipment and other Insured Property; or
   2. $25,000; whichever is the lesser, for any one Breakdown.
Cover under this additional benefit applies in addition to the Limit of Liability.

Bore pump removal costs
We will pay for the necessary and reasonable cost of removal and installation of bore pumps, Maximum: $5,000, for any one Breakdown.

Errors and omissions
We agree that We will not limit or refuse cover under this Section (including the optional covers) as a result solely of:
   1. Any error or unintentional omission by You in the description of Premises, equipment or Insured Property; or
   2. Your failure through error to include in this Policy any Premises at the commencement of the Period of Insurance.

The following conditions apply:
   1. You must notify Us in writing of such error or omission immediately upon Discovery and report corrections;
   2. The Premises is in Australia or within any other country in which a Premises specified in the Schedule is located;
   3. You must pay the additional Premium required by Us;
   4. The Excess that applies will be the highest amount or time shown in this Policy for such Loss; and
   5. We shall be liable for Loss under this additional benefit to the extent that We would have been liable had the error or omission not occurred.

Water Damage
We will pay for Loss to any Insured Property, Damaged by Water, including salvage expense, as a direct result of a breakdown to any piping described in the definition of equipment. However, We will not pay more than the amount set out in the Schedule for Water Damage. Maximum: $25,000

Hazardous substances
If a Hazardous Substance escapes or is released solely as a result of a breakdown, We will pay for the increase in the cost to repair, replace, clean up or dispose of affected Insured Property.
We will not pay for any increase in Loss or Damage to any Insured Property that has broken down that is caused by or arises from a Hazardous Substance. We will not be liable under this additional benefit for any Loss or Damage caused by Ammonia Contamination.
In this additional benefit the expression 'increase in Loss' means that cost or Loss beyond that which would
have been incurred had no **Hazardous Substance** been present.  
*Maximum:* $25,000

**Ammonia contamination**

For the purposes of this Section (including the optional covers) **Loss** or **Damage** caused by ammonia making contact with **Insured Property** as a direct result of a **Breakdown** to any refrigerating or air conditioning system, vessels or piping, described within the definition of **Pressure Plant** or equipment is deemed to be **Loss** or **Damage** as a result of a **Breakdown**.

**Newly acquired Premises**

We will cover You for and in connection with a **Breakdown at Premises** newly acquired by You provided that:

1. You notify Us in writing within 90 days after the date the Premises is acquired;
2. The Premises is in Australia or within any other country in which a Premises specified in the Schedule is located;
3. You must pay the additional Premium required by Us;
4. The **Money Excess** (and time Excess) that applies will be the highest amount shown in this **Policy** for such Loss; and
5. We will not pay more than the **Limit of Liability** set out in the Schedule for newly acquired Premises.

**6.6 Optional cover**

If You have cover under this Section, You can choose to add the following optional cover to Your **Policy**. The option that You have chosen to add to Your **Policy** will be set out in the Schedule. If You have cover under Section 2 – Business Interruption please read the **Cover under more than one Section** condition that is applicable to all Sections in this **Policy**.

**Business interruption**

If We have agreed to pay a claim under this Section for repair or replacement of equipment caused by **Breakdown**, We will pay the additional increase in cost of working (not otherwise recoverable under this Section) necessarily and reasonably incurred during the Indemnity Period as a consequence of the breakdown for the purpose of avoiding or diminishing reduction in turnover or resuming or maintaining normal **Business** operations or services. The most We will pay for Your additional increase in costs of working is the **Limit of Liability** set out in the Schedule for additional increase costs of working.

**Equipment more than 10 years old**

If We agree in writing to cover equipment more than 10 years old, the extent of the cover We will provide for that equipment AND the equipment and the specified sum is set out in Your **Schedule**, and We will pay (up to the specified sum) for the repair or **Total Loss** of that equipment, or the cash equivalent, whichever is lesser.

**6.7 Exclusions**

We will not be liable under this Section for any:

**Excluded Perils** as defined in General Exclusions.

**Water and Explosion (Loss or Damage)** caused by or resulting from:

1. Escape of **Water** or liquids, unless resulting from a **Breakdown**;
2. **Explosion** that is accompanied by or that ensues from a **Breakdown**; however, with respect to:
   a. An item of equipment which forms part of **Pressure Plant** (but not including a **Boiler** of the chemical recovery type), the **Loss** to the item of equipment, resulting from **Damage** to the same item of equipment in which the Breakdown occurred, is not excluded; and
   b. An **Explosion** of gas or unconsumed fuel within the furnace of a fired pressure vessel or a **Boiler** (being an item of **Pressure Plant**, but not including a **Boiler** of the chemical recovery type), or within the passages from the furnace of such a fired pressure vessel or **Boiler** to the atmosphere, the **Loss** to the item of equipment, resulting from **Damage** to the same item of equipment in which the **Breakdown** occurred, is not excluded.

**Consequential Loss** (except as covered specifically in this Section) **Loss**, **Damage**, cost or expense caused directly or indirectly by or resulting from:

4. **Delay** or interruption of the **Business**;
5. **Lack of power, light, heat, steam or refrigeration**; or
6. Any other indirect result or consequence of a **Breakdown**.

**Certain circumstances** **Loss**, **Damage**, cost or expense in respect to any item of equipment which is caused directly by **Breakdown** while such item is undergoing any pressure test, an insulation **Breakdown** test or is being dried out.

**Equipment more than 10 years old**

Unless the optional cover for equipment more than 10 years old is selected by You and specified in Your **Schedule**, We will not cover anything that was manufactured or built more than ten years before the date of any claim made under this **Policy**.
6.8 Conditions
The following conditions apply to this Section:

One breakdown
If a Breakdown to any item of equipment causes a Breakdown simultaneously to any other item of equipment, or a series of Breakdowns occur simultaneously as a result of the same cause, they will be considered as one Breakdown for the purposes of the Section.

Inspection
We have the right to inspect any item of equipment at any reasonable time. Neither the right to make inspections nor the making of them is an undertaking to You or others that such equipment is safe and not hazardous or injurious to health.

Precautions
You must take responsible measures to maintain the equipment in sound working condition and to prevent a breakdown from occurring and to comply with any Act of Parliament or Regulation or any law, by-law, ordinance, regulation of any Municipal or Statutory Authority, rule or ruling in relation to the operation, maintenance, repair or inspection of the equipment including:
1. Where certificate of inspection is required by any statute or regulation, such equipment shall be so certified;
2. Where Pressure Plant is not inspected by a Statutory Authority, the plant must be inspected and conform with Australian Standards AS3788 and all other relevant Australian Standards, regulations and codes;
3. The load on the safety valve or safety valves upon any item of equipment shall not be in Excess of that permitted by the certificate issued for the item; and
4. No safety valve or other limiting device shall be removed or rendered inoperative.

Non-compliance with the above precautions may affect the amount that You may receive on a claim.