

Equipment Breakdown

Policy Wording



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Important Information

About this Document

This is an important document that must be read carefully before making a decision in relation to this insurance. The Insurer is responsible for the content of this document.

This document can help you to:

- decide whether this insurance will meet your needs; and
- compare it with other products you may be considering.

Refer to Section Three – Definitions for details of words that have special meanings. In some cases, a word with a special meaning may be defined in a specific part of the policy.

About SURA Engineering

SURA Engineering Pty Ltd ABN 40 147 579 100 (SURA Engineering) has developed this Equipment Breakdown Insurance Policy which is underwritten by the insurer referred to below.

SURA Engineering has an authority from the insurer to arrange, enter into/bind and administer this insurance (including handling and settling claims) for the insurer.

In providing any financial services SURA Engineering acts as an Authorised Representative (AR No. 419874) of SURA Pty Ltd ABN 36 115 672 350 AFSL 294313.

Our contact details are:

Level 14, 141 Walker Street
North Sydney NSW 2060
PO Box 1813
North Sydney NSW 2059
Telephone: (02) 9930 9500

About the Insurer

This insurance is underwritten by CGU Australia Pty Ltd ABN 62 004 478 960 AFSL 700014 trading as CGU Insurance (CGU) an authorised Australian insurer, regulated by the Australian Prudential Regulation Authority (APRA).

CGU has been providing insurance to Australians for over 160 years and is part of the Insurance Australia Group (IAG).

CGU Insurance contact details are:

Level 13, Tower Two
Darling Park
201 Sussex Street
Sydney NSW 2000
Telephone: (02) 8224 4000

You should contact SURA Engineering in the first instance in relation to this insurance.

General Insurance Code of Practice

We proudly support the General Insurance Code of Practice (the 'Code'). The purpose of the Code aims to raise the standards of practice and service in the general insurance industry.

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

For further information on the Code, please visit www.codeofpractice.com.au.

For more information on the Code Governance Committee (CGC) go to <https://insurancecode.org.au>.

Your Duty of Disclosure

Before You enter into an insurance contract, You have a duty to tell Us of 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;
- is of common knowledge;
- 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.

Assumed Liability and Waived Rights

You must not, without obtaining Our prior written consent (such consent will not be unreasonably withheld):

- assign any benefits, rights or obligations under Your policy; or
- enter into any agreement, make any admissions or take any action or step with another party:
 - where You are assuming a greater liability than would apply had You not done so; or
 - which prevents You (or Us) from taking a recovery action for damages, indemnity or contribution from that other party You would have been entitled to.

If You do, it may adversely affect Your rights to cover under the policy to the extent that Your loss would otherwise have been able to receive a contribution or indemnity for the loss but for the agreement.

GST

The amount payable by You for the policy includes an amount for GST.

The Limit of Liability and all other limits applicable to the policy are GST inclusive.

When We pay a claim, Your GST status will determine the amount We pay.

If You are:

- not registered for GST, the amount We pay is the Limit of Liability or the other limits applicable to the policy being inclusive of GST.
- registered for GST, We will pay the Limit of Liability or the other limits applicable to the policy less any Input Tax Credit (ITC) to which You are entitled or would be entitled if You made a relevant Acquisition. This ITC may be claimable within Your Business Activity Statement (BAS).

You must advise Us of Your correct Australian Business Number and Taxable Percentage. Any GST liability arising from Your incorrect advice is payable by You.

Where the settlement of a claim is less than the Limit of Liability or the other limits applicable to the Policy We will only pay the GST (less Your ITC credit) applicable to the settlement. This means that if these amounts are not sufficient to cover the claim, We will only pay the GST relating to Our settlement of the claim. We will pay the claim by reference to the GST exclusive amount of any supply made by any business of Yours which is relevant to the claim.

GST, ITC, BAS and Acquisition all have the same meaning as given to those words or expressions in A New Tax System (Goods and Services Tax) Act 1999 (Cth) and related or similar legislation, including any amendments to, delegated legislation thereof, or successor legislation (as applicable).

Taxable Percentage is Your entitlement to an Input Tax Credit on Your premium as a percentage of the total GST on that premium.

Complaints and Dispute Resolution

Our complaints process

We view seriously any complaint made about Our products or services and will deal with it promptly and fairly.

If you are dissatisfied with any aspect of your relationship with Us including Our products or services, and wish to make a complaint, please first try to resolve it by contacting the relevant member of Our team. Our team members are trained to handle complaints fairly and efficiently. Please provide Us with Your claim or Policy number (if applicable) and as much information as you can about the reason for your complaint.

If the matter is still not resolved after 5 business days, your complaint will be referred to Our Complaints Team to review. The Complaints Team members are committed to reviewing complaints fairly and efficiently.

You can contact Our Internal Disputes Resolution Officers on (02) 9930 9500, or by email at IDR@SURA.com.au or by writing to Us at the address for SURA given above. The issues raised in your complaint will be investigated and We will advise you if further information is required to complete the review. They will seek to resolve the matter with thirty (30) days, in accordance with the General Insurance Code of Practice and Our Dispute Resolution procedures.

If We are unable to reach a decision within this time frame, We will provide you with the reasons for the delay prior to the expiry of this time frame. In this case or in cases where further information or investigation is required, We will work with you to agree reasonable alternative time frames.

If We cannot agree, or your complaint remains unresolved after thirty (30) calendar days, your complaint is now considered a dispute and you may refer your dispute to the Australian Financial Complaints Authority (AFCA) as detailed below, subject to its Rules. If your complaint or dispute falls outside the AFCA Rules, you can seek independent legal advice or access any other external dispute resolution options that may be available to you.

Should you wish to request copies of any information that We have relied upon to come to Our decision, We will provide it (to the extent allowable by law) within ten (10) business days of your request.

You can contact Us if you want more information on Our procedures.

AFCA

If you are dissatisfied with your complaint or dispute determination, or your complaint or dispute has not been resolved to your satisfaction within thirty (30) calendar days, you may refer your complaint or dispute to AFCA.

The AFCA is a free independent external disputes resolution service provided to customers to review and resolve complaints where We have been unable to satisfy your concerns, subject to its Rules. For further details you can visit their website at www.afca.org.au or contact them:

Australian Financial Complaints Authority

PO Box 3

Melbourne VIC 3001

Telephone: 1800 931 678

Email: info@afca.org.au

A complaint can be referred to AFCA at any time subject to its Rules.

AFCA only considers complaints (otherwise covered by its Rules) referred to it within 2 years of our final decision, unless AFCA considers special circumstances apply. If AFCA tells you that under its Rules it cannot assist you or consider your dispute, then you can seek independent legal advice. You can also access any other external dispute resolution or other options that may be available to you.

Privacy Statement

In this Privacy Statement the use of “We”, “Our” or “Us” means SURA and the Insurers unless specified otherwise.

In this Privacy Statement the use of personal information includes sensitive information.

We are committed to protecting the privacy of the personal information that You provide to Us.

The Privacy Act 1988 (Cth) contains the Australian Privacy Principles which require Us to tell You that We collect, handle, store and disclose Your personal and sensitive information for the specific purpose of:

- deciding whether to issue a policy,
- determining the terms and conditions of Your policy,
- compiling data to help develop and identify other products and services that may interest clients, and
- handling claims.

Personal information is information or an opinion about an identified individual, or an individual who is reasonably identifiable:

- a) whether the information or opinion is true or not;
- b) whether the information or opinion is recorded in a material form or not.

Sensitive information includes, amongst other things, information about an individual’s racial or ethnic origin, political opinions, membership of a political organisation, religious beliefs or affiliations, philosophical beliefs, membership of a professional or trade association, membership of a trade union, sexual orientation or practices, criminal record, health information about an individual, genetic information, biometric information or templates.

You have given Us Your consent to collect, use and disclose Your personal information in order to provide You with the relevant services and/or products.

When You give Us personal information about other individuals, We rely on You to have made or make the individual aware that You will or may provide their personal information to Us and the types of other parties and service providers We may provide it to, the relevant purposes We and the other parties and service providers will use it for, and how they can access it. If You have not done or will not do either of these things, You must tell Us before You provide the relevant personal information to Us.

We will protect Your information using physical, technical, and administrative security measures to reduce the risks of loss, misuse, unauthorised access, disclosure and alteration. Some of the safeguards that We use are firewalls and data encryption, physical access controls to Our data centres, and information access authorisation controls.

We disclose personal information to other parties and service providers whom We believe are necessary to assist Us and them in providing the relevant services and/or products. For example, in handling claims, We may have to disclose Your personal information to other parties and service providers such as Our claim management partner, other insurers, reinsurers, loss adjusters, external claims data collectors, investigators and agents, facilitators, assessors or other parties as required by law. We will limit the use and disclosure of any personal information provided by Us to them to the specific purpose for which We supplied it.

We may disclose Your personal information to Our insurers, reinsurers, related entities and service providers overseas where it is reasonably necessary for, or directly related to, the functions, services or activities We provide to You. When We transfer Your information to other countries, including countries which may not have data protection laws that provide the same level of protection that exists in Australia, We will protect the information as described in this Privacy Policy.

If You do not provide the personal information requested and/or do not provide Us with Your consent to the use and disclosure of Your personal information as set out in this Privacy Statement, Your insurance application may not be accepted, or We may not be able to administer Your policy, or You may be in breach of Your duty of disclosure, the consequences of which are set out under the heading 'Your duty of disclosure' in this policy.

We will notify You as soon as possible if Your personal information is involved in a data breach that is likely to result in serious harm to You.

If You would like a copy of Our Privacy Policies, would like to seek access to or correct Your personal information, opt out of receiving materials We send, complain about a breach of Your privacy or You have any query on how Your personal information is collected, stored or used, or any other query relating to Our handling of Your personal information, please contact Us. You can view a copy of Our Privacy Policy on Our website at www.sura.com.au. You can also access CGU's Privacy Policy on the website at www.CGU.com.au/privacy.

Cost of this Insurance

The cost of Your policy will be shown on the quotation provided, once all required information has been received, and before You enter into a policy with Us. The cost of Your policy is calculated based on a number of considerations including turnover(s) insured, the business activities, the insurance history and the size of the business. These factors, and the degree to which they affect Your premium, may vary depending on the information You provide to Us.

The cost of Your policy is made up of premium, government taxes such as goods and services tax (GST) and stamp duty or other levies, and a policy or administration fee where applicable.

Paying Your Premium

You must pay Your premium by the due date. If We do not receive Your premium by this date or Your payment is dishonoured We may be entitled to cancel the policy. Refer to Section Four – Conditions, '6. Cancellation' for more information.

Our Contract with You

Where We agree to enter into a policy with You it is a contract of insurance between Us and You and cover is provided on the basis that You have paid or agreed to pay Us the premium for the cover provided.

The policy consists of:

- this document which sets out the standard terms of Your cover and its limitations;
- Your current Policy Schedule issued by Us. The Policy Schedule is a separate document, which shows the insurance details relevant to You. It may include additional terms, conditions and exclusions relevant to You that amend the standard terms of this document. Only those Sections (or options within each Section) shown as covered in Your Policy Schedule are insured; and
- any other change to the terms of the policy otherwise advised by Us in writing (such as an endorsement). These written changes may vary or modify the above documents.

These are all important documents and should be carefully read together and kept in a safe place for future reference.

Any new or replacement Policy Schedule We may send You, detailing changes to Your insurance or the Policy Period, will become the current Policy Schedule, which You should carefully read and retain.

Policy Interpretation

The paragraph headings in this policy are included for the purpose of reference only and do not form part of this policy for interpretation purposes:

- references to legislation in this policy includes any amendments, replacement, re-enactment, successor, equivalent or similar legislation;
- if a word or phrase is defined, its grammatical forms have corresponding meaning;
- a word importing the singular includes the plural (and vice versa);
- a word indicating a gender includes every other gender;
- the words "include", "including", "for example", "particularly" or "such as" or equivalent are not used as, nor are they to be interpreted as, words of limitation, and, when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind; and
- a reference to "\$" or "dollar" is to Australian currency.

Section One – The Cover

1. Basic Coverage

You must take out cover under Section One 1.a) of the policy in order to be eligible for any cover under the policy and will only be eligible to take out cover under Sections One 1.b) or 1.c) of the policy if You are also covered under Section One 1.a) of the policy.

We will cover You in accordance with the terms of the policy where there is a Breakdown of Insured Equipment during the Policy Period shown on the Policy Schedule, at a Location specified in the Policy Schedule in the event of:

- a) loss to:
 - i) the Insured Equipment; or
 - ii) Insured Property;
directly damaged by the Breakdown;
- b) loss of perishable Insured Property that spoils solely as a result of the Breakdown. (Applies only if a Limit of Liability is shown in the Policy Schedule for Section One 1.b)); or
- c) Business Interruption which results solely from the Breakdown. (Applies only if a limit is shown in the Policy Schedule for Section One 1.c)).

2. Additional Coverage and Limits

Where You suffer a loss that We have agreed to cover under ‘1. Basic Coverage’ of the policy We will also provide the following additional coverage up to the amount shown below, or the Limit of Liability where no amount is specified below, for any One Breakdown, provided that the maximum amount We will pay in total for all claims under the policy (including any additional coverage) caused by or resulting from any One Breakdown is the Limit of Liability shown in the Policy Schedule.

2.1 Expediting expenses

We will cover You for the reasonable extra cost incurred as a result of a Breakdown of Insured Equipment to:

- i) make temporary repairs;
- ii) expedite permanent repairs; or
- iii) expedite permanent replacement,

of the Insured Equipment or Insured Property which is directly damaged by the Breakdown.

The most We will pay under this additional coverage is the Limit of Liability set out in the Policy Schedule for ‘Expediting Expenses’ for any One Breakdown.

2.2 Service interruption

We will pay You for:

- i) loss of perishable Insured Property which spoils (provided You have cover for Section One 1.b)); or
- ii) Business Interruption (provided You have cover for Section One 1.c)),

if You suffer loss solely as a result of a Breakdown of equipment located on or within one (1) kilometre of Your Location, which is not owned or operated by You, but only if the equipment is also:

- i) of a type as described in the definition of Insured Equipment;
- ii) owned by the building owner at Your Location or a utility company; and
- iii) used to supply telecommunications (including internet services), electricity, air conditioning, heating, gas or water services to Your Location.

The most We will pay under this additional coverage is the Limit of Liability set out in the Policy Schedule for 'Service Interruption' for any One Breakdown.

2.3 By-laws

In the event of a Breakdown of Insured Equipment, where there is a law, by-law, ordinance, regulation, rule or ruling regulating or restricting repair, alteration, use, operation, construction or installation of the Insured Equipment or Insured Property, in force at the time of the Breakdown, We will cover You for:

- i) the increase in cost of repair or replacement of both damaged and undamaged property (including any demolition and site clearing costs) which is necessary to meet the minimum requirements of the law, by-law, ordinance, regulation, rule or ruling; and/or
- ii) the increase in Business Interruption because of the law, by-law, ordinance, regulation, rule or ruling where You have cover under Section One 1.c).

The most We will pay for under this additional coverage is the Limit of Liability set out in the Policy Schedule for 'By-laws' for any One Breakdown.

2.4 Hazardous Substances

We will cover You when a Hazardous Substance is involved in or released by a Breakdown of Insured Equipment for:

- i) the Increase In Cost to repair, replace, clean up, or dispose of, affected Insured Equipment or Insured Property; and
- ii) Business Interruption resulting from the presence of Hazardous Substances where You have cover under Section One 1.c).

The most We will pay for under this additional coverage is the Limit of Liability set out in the Policy Schedule for 'Hazardous Substances' for any One Breakdown.

For this Section 2.4 only, "**Increase In Cost**" means cost or loss beyond that for which We would have been liable had no Hazardous Substance been present.

2.5 Professional fees

We will cover You for fees payable to auditors, accountants, lawyers, architects, engineers or other professionals to produce and certify the information We require in order to determine the amount of loss payable under the policy as a result of a Breakdown of Insured Equipment. Any fees payable under this additional coverage must be authorised by Us (such consent will not be unreasonably withheld).

We will not cover You for any fees or costs of Your own employees incurred in producing or certifying such information.

2.6 Denial of access

Where You have cover under Section One 1.c) of the policy, We will cover You for Business Interruption as a result of a Breakdown of equipment of a type as described as in the definition of Insured Equipment either at Your Location or at a neighbouring location if a civil authority bars You from access to Your Location.

The most We will pay for under this additional coverage for any resulting One Breakdown is Business Interruption for a period of up to two (2) consecutive weeks from the time access is barred to Your Location or such time as You are able to gain access to Your Location, whichever is the lesser period.

2.7 Automatic coverage

We will automatically cover You in accordance with the cover You have selected and the terms of the policy for loss from a Breakdown of Insured Equipment at a newly acquired Location in Australia for up to ninety (90) consecutive days after acquisition provided:

- i) You inform Us in writing of the acquisition within ninety (90) days of its acquisition;
- ii) the equipment is of a type as described in the definition of Insured Equipment; and
- iii) any loss will be subject to the applicable Excess amount stated in the policy.

If You request and We agree to cover the Insured Equipment at the new Location beyond the ninety (90) consecutive day period, You must provide Us with full details of the new Location and You must pay, or agree to pay, Us any additional premium We may require.

If the additional premium We request is unacceptable, the cover for such newly acquired Location will not be provided.

2.8 Data coverage

If, as a result of a Breakdown of Insured Equipment, Data is lost or damaged, We will pay:

- i) the cost of gathering or reproducing the Data; and
- ii) the Business Interruption resulting from the loss or damage to the Data, where You have cover under Section One 1.c),

however, in no event will We pay more than the Limit of Liability for 'Data Coverage' shown in the Policy Schedule for any One Breakdown.

We will not pay for Data which is lost or damaged as a result of programming errors of any kind including the inability of software to correctly read, recognise, save, process or interpret Data at any date or time.

This additional cover is only available if a Limit of Liability for 'Data Coverage' is shown in the Policy Schedule.

2.9 Ammonia coverage

We will cover You when ammonia is involved in or released by a Breakdown of Insured Equipment for:

- i) the Increase In Cost to repair, replace, clean up, or dispose of, affected Insured Equipment or Insured Property; and
- ii) the Business Interruption resulting from the presence of ammonia where You have cover under Section One 1.c).

The most We will pay for under this additional coverage is the Limit of Liability set out in the Policy Schedule for 'Ammonia' for any One Breakdown.

For this Section 2.9 only, "**Increase In Cost**" means cost or loss beyond that for which We would have been liable had no ammonia been present.

2.10 Water damage

We will cover You for loss or damage to Insured Property damaged by water as a direct result of a Breakdown of Insured Equipment.

The most We will pay for under this additional coverage is the Limit of Liability set out in the Policy Schedule for 'Water Damage' for any One Breakdown.

3. Basis of Settlement/Limit of Liability

We will pay up to the Limit of Liability shown in the Schedule in total for all claims under the policy (including any additional coverage) caused by or resulting from any One Breakdown.

3.1 Property damage

Under Section One 1.a) We will pay up to the Limit of Liability shown in the Policy Schedule for damage to Insured Equipment or Insured Property as a result of any One Breakdown as follows:

- i) on Media, the cost of blank material;
- ii) on exposed film, records, manuscripts and drawings, the cost of blank material plus the cost of transcription;
- iii) on all other Insured Equipment or Insured Property, the lesser of the cost at the time of the Breakdown:
 - 1. to repair; or
 - 2. to replace the damaged property with similar property of like kind, capacity, size, quality and function.

We will not pay for:

- i) the cost of repairing any part or parts of a piece of Insured Equipment or Insured Property which is greater than the cost of repairing or replacing the entire piece of the Insured Equipment or Insured Property;
- ii) more than the cost for You to replace the Insured Equipment or Insured Property with other property of like kind, capacity, size, quality and function;
- iii) more than the cost for You to replace the property at the same Location or an adjacent site; or

- iv) loss or damage to Insured Equipment or Insured Property which was no longer used, useless or obsolete to You before the time of the Breakdown. Please contact Us if any Insured Equipment or Insured Property is no longer used or becomes obsolete during the Policy Period so We can revise Your policy accordingly. Refer to Section Four – Conditions – “4. Changes” for more information.

3.2 Perishable Insured Property

Under Section One 1.b) We will pay up to the Limit of Liability shown in the Policy Schedule as a result of any One Breakdown for the amount You spend to replace perishable Insured Property that spoils solely as a result of the Breakdown of Insured Equipment. If the perishable Insured Property is not replaced, We will only pay for the Actual Cash Value of the perishable Insured Property, up to the Limit of Liability shown in the Policy Schedule for Section One 1.b) as a result of any One Breakdown).

3.3 Business Interruption

Under Section One 1.c) We will pay up to the Limit of Liability shown in the Policy Schedule for Section One 1.c) as a result of any One Breakdown until the earlier of:

- i) the date the revenue and operations of the business return to a level equal to the average over last 12 trading months; or
- ii) twelve (12) months from the date of the Breakdown.

4. Excess

If You make a claim, the Excess is what You are required to contribute to the claim. The applicable Excess(es) and how much that Excess is pertaining to each Section and sub Section of coverage will be advised to You before the policy is entered into and stated in the Policy Schedule.

From the total amount of loss, damage and expense for which We are liable following any One Breakdown of Insured Equipment, We will subtract the applicable Excess(es) shown in the Policy Schedule, unless We agree alternative arrangements for payment of the Excess with You.

From the total amount of perishable Insured Property lost for which We are liable, We will subtract either the Excess percentage of the loss or the monetary amount (as applicable) shown in the Policy Schedule, unless We agree alternative arrangements for payment of the Excess with You.

From the total amount of Business Interruption lost for which We are liable, We will subtract the applicable Excess(es) shown in the Policy Schedule, unless We agree alternative arrangements for payment of the Excess with You. The Business Interruption time Excess(es) begins at the time of the Breakdown and ends after the time period stated in the Policy Schedule. We will not be liable for any loss incurred from the time of the Breakdown until the time period stated in the Policy Schedule has expired.

5. Reinstatement

Following a claim being paid or settled under the policy for Breakdown of Insured Equipment or Insured Property, We will automatically reinstate the Limit of Liability at no additional cost. There is no limit on the number of reinstatements that will be provided in any one Policy Period.

Section Two – Exclusions

We will not pay for:

1. loss caused by or resulting from:
 - a) a Breakdown caused directly or indirectly by nuclear reaction, nuclear radiation or radioactive contamination, all whether controlled or uncontrolled; or
 - b) nuclear reaction, nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, caused directly or indirectly by, contributed to or aggravated by a Breakdown, nor shall We be liable for any loss covered in whole or in part by any contract of insurance, carried by You, which also covers any hazard or peril of nuclear reaction or nuclear radiation.
 2. loss from a Breakdown caused by or resulting from:
 - a) war, bombardment, invasion, insurrection, rebellion, revolution, military or usurped power, enemy attack including any action or measure taken in resisting, combating or delaying the enemy;
 - b) operations of armed forces while engaged in hostilities, whether war be declared or not; or
 - c) riot, civil commotion or sabotage;but loss under the policy from a Breakdown of Insured Equipment caused by vandalism or malicious acts of others is covered unless associated with the foregoing.
 3. any:
 - a) increase in loss necessitated by any ordinance, law, regulation, rule or ruling regulating or restricting repair, replacement, alteration, use, operation, construction or installation;
 - b) increase in loss as a result of damage, contamination or pollution by a substance declared to be a contaminant, pollutant or Hazardous Substance by an authorised governmental agency; or
 - c) increase in loss or Additional Expenses incurred for clean up, repair, replacement or disposal of damaged, contaminated or polluted property,except as specifically provided in Section One Additional Coverage and Limits 2.3 'By-laws' and 2.4. 'Hazardous Substances'.
- For the purpose of exclusion 3.c) "**Additional Expenses**" means expenses incurred beyond those for which We would have been liable had no contaminant, pollutant or Hazardous Substance been involved in the Breakdown.
4. loss from a Breakdown caused by or resulting from:
 - a) earth movement, including but not limited to earthquake, landslide, mud flow, subsidence, volcanic eruption, tidal wave or tsunami;
 - b) wind, including but not limited to cyclone, tornado or hurricane;
 - c) lightning, storm, tempest, rainwater, hail, water from or action of the sea, tsunami, tidal wave, high water or Flood;
 - d) falling objects;
 - e) water or other means used to extinguish a fire; or
 - f) collapse of any building or structure.

5. loss caused by or resulting from:
 - a) fire, smoke or combustion explosion. However, with respect to any Insured Equipment which is an electrical or electronic machine or apparatus, We will pay for the fire damage within such machine or apparatus which occurs at the same time as a Breakdown or that ensues from a Breakdown;
 - b) damage to Data used with any electronic computer or electronic data processing equipment, unless Section One Additional Coverage and Limits 2.8 'Data coverage' is shown as included in the Policy Schedule; or
 - c) theft or burglary.
6. loss to Insured Property damaged by water unless resulting from a Breakdown of Insured Equipment.
7. under any Business Interruption coverage:
 - a) loss during any time during which business could not or would not have been carried on if the Breakdown had not occurred;
 - b) loss resulting from Your failure to resume as soon as practicable complete or partial operations of the business;
 - c) fines or damages for breach of contract; or
 - d) any penalties.
8. 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:
 - a) any Cyber Act, including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act;
 - b) any Cyber Incident, including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Incident, unless any damage to Insured Equipment and any Time Element Loss are the direct result of a Cyber Incident, which has not been directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with a Cyber Act, and such damage is directly caused by the following perils if otherwise covered under the policy:
 - i) fire or explosion;
 - ii) water damage;
 - iii) a change in temperature affecting refrigerated goods; or
 - iv) machinery or electronic breakdown, including collapse or explosion of pressure equipment; or
 - c) 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.

Provided however should Media owned or operated by You suffer physical loss or physical damage insured by this policy, then this policy will cover the cost to repair or replace the Media itself plus the costs of copying the Data from back up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling the Data. If such media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank Media. However, this policy excludes any amount pertaining to the value of such Data, to You or any other party, even if such Data cannot be recreated, gathered or assembled.

This exclusion does not apply to Additional Coverage and Limits '2.8 Data coverage'.

9. loss caused directly or indirectly, in whole or in part, by Terrorism or by any activity or decision of a government agency or other entity to prevent, respond to or terminate Terrorism. Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.
10. any loss resulting from Breakdown of any equipment which is shown in the Policy Schedule as 'Uninsured Equipment'.
11. any consequential loss, meaning We will not pay for any direct or indirect financial or economic loss, for example loss of reputation, loss of use of enjoyment, loss of profits or depreciation, except if specifically covered by this policy.
12. any actual or alleged loss, damage, liability, claim, cost, expense or any other amounts of whatsoever nature directly or indirectly caused by, arising from, contributed to by, resulting from, or otherwise in connection with:
 - a) disease;
 - b) a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease;
 - c) any Time Element Loss that is directly caused by any competent public authority closing or evacuating Your Location as a result of the outbreak and presence of any of the following human diseases at Your Location, to the extent that such Time Element Loss is covered under the policy:
 - i) any disease determined to be a 'listed human disease' under, or any disease in respect of which a 'biosecurity emergency' or 'human biosecurity emergency' is declared under, the Biosecurity Act 2015 (Cth) including any amendment, replacement, re-enactment, successor, equivalent or similar legislation including delegated legislation;
 - ii) any disease determined by the World Health Organization to be a Public Health Emergency of International Concern (PHEIC);
 - iii) Highly Pathogenic Avian Influenza (HPAI) in humans; or
 - iv) influenza with pandemic or epidemic potential; or
 - d) any cost to clean up, decontaminate, disinfect, remove, replace, monitor and/or test for such diseases, conditions or circumstances described in this exclusion, and
13. We will not be liable to provide any cover, pay any claim or provide any benefit under this policy (including any refund of premium), to the extent that such cover, claim, benefit or refund may contravene or expose Us to any sanction, prohibition or restriction under United Nations resolutions or any trade or economic sanctions, laws or regulations of any country.

Section Three – Definitions

Definitions

1. Actual Cash Value

Actual Cash Value means the cost of replacing the damaged Insured Equipment or Insured Property with property of a similar kind, capacity, size, quality and function prior to a Breakdown occurring. We will consider such items as the age, condition and life expectancy.

2. Breakdown

Breakdown means sudden and accidental physical damage to equipment resulting in failure of the equipment which requires the repair or replacement of the equipment or a part of the equipment before normal operation can continue.

Breakdown does not mean:

- a) depletion, deterioration, corrosion, or erosion of material;
- b) wear and tear;
- c) vibration or misalignment;
- d) the functioning of any safety device or protective device;
- e) the failure of a structure or foundation supporting the equipment or a part of the equipment; or
- f) impact by vehicle, watercraft, aircraft or animal.

3. Business Interruption

Business Interruption means:

- a) the actual loss sustained by Your business because of the loss of gross profit due to reduction in business revenue; and
- b) the reasonable and necessary increased cost of working You incur in order to either resume or continue the normal operation of Your business.

4. Communicable Disease

Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not;
- 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 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 property.

5. 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.

6. Cyber Act

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.

7. Cyber Incident

Cyber Incident means:

- a) 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
- b) 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.

8. Data

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.

9. Excess

Excess means the amount You contribute towards the cost of Your claim on Your policy. The amount and types of Excesses that apply to Your policy are shown on Your Policy Schedule. An Excess is contributed on each and every claim arising out of one event, occurrence or any One Breakdown.

The Limits of Liability and/or Sub-Limits of Liability shall apply in addition to and shall not be reduced by the amount of any applicable Excess.

10. Flood

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

- a) a lake (whether or not it has been altered or modified);
- b) a river (whether or not it has been altered or modified);
- c) a creek (whether or not it has been altered or modified);
- d) another natural watercourse (whether or not it has been altered or modified);
- e) a reservoir;
- f) a canal; or
- g) a dam.

11. Hazardous Substance

Hazardous Substance means any pollutant, contaminant or other substance declared by a government authority to be hazardous to health or the environment.

12. Insured Equipment

Insured Equipment means any equipment owned, leased or operated by You or for which You are contractually responsible to insure as described below:

- a) any boiler, fired or unfired pressure vessel normally subject to vacuum or internal pressure (other than static pressure of contents), any piping connected thereto and its accessory equipment, but not including:
 - i) any boiler setting, any refractory or insulating material;
 - ii) any part of a boiler or fired pressure vessel that does not contain steam or water; or
 - iii) any buried piping, drainage piping, sprinkler piping or accessory equipment to such piping.
- b) any mechanical or electrical equipment used for the generation, transmission or utilisation of mechanical or electrical power; but not including:
 - i) vehicles; or
 - ii) mobile equipment.
- c) any elevator or escalator equipment listed below:
 - i) any pump, hydraulic components, compressor, fan, blower, engine or turbine;
 - ii) any separate enclosed gear set connected to such machine or apparatus by a coupling, clutch or belt;
 - iii) any electrical equipment; or
 - iv) any electronic equipment used solely to start, stop, control or monitor such machine or apparatus.
- d) any electronic machine, device or instrument used for research, diagnosis, treatment, communication, word processing, data processing, duplicating, monitoring or scanning.

13. Insured Property

Insured Property means:

- a) property You own; or
- b) property of others in Your care, custody or control and for which You are legally liable.

14. Limit of Liability

Limit of Liability means the amount stated as such in the Policy Schedule which is the maximum amount We will pay in total for all claims under the policy (including any additional coverage) caused by or resulting from any One Breakdown.

15. Location

Location means the premises owned or occupied by You at the address shown in the Policy Schedule.

16. Media

Media means any property insured by the policy on which Data can be stored but not the Data itself.

17. One Breakdown

One Breakdown means a Breakdown of Insured Equipment that causes the Breakdown of other Insured Equipment or where a series of Breakdowns occur at the same time as a result of the same cause, they will all be considered as one breakdown.

18. Policy Period

Policy Period means the 'Period of Insurance' specified in the Policy Schedule.

19. Policy Schedule

Policy Schedule means the document We issue to You that attaches to and forms part of Your policy, whether for the first Policy Period, on any renewal of the contract, or variation by way of endorsement, that specifies the policy number and other details of the cover provided by the policy.

20. Time Element Loss

Time Element Loss means Business Interruption, contingent Business Interruption or any other consequential loss insured under the policy.

21. Terrorism

Terrorism means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organisation(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.

22. You, Your, Yours, Insured

You, Your, Yours, Insured means any person or entity shown on the current Policy Schedule as the Insured.

23. We, Our, Us

We, Our, Us means CGU Australia Pty Ltd ABN 62 004 478 960 AFSL 700014 trading as CGU Insurance acting through its agent SURA Engineering.

Section Four – Conditions

1. Examination of books and records

We may examine and audit Your books and records as they relate to the policy or a claim at any reasonable time agreed by You and Us during the Policy Period and up to three (3) years thereafter.

2. Inspection

We have the right to make inspections of Insured Equipment at any reasonable time agreed by You and Us during the Policy Period, to assess Your application for this insurance or to assess a claim. Neither this right to make inspections or making them is an undertaking to You or others that the Insured Equipment is safe and not hazardous or injurious to health.

3. Statutory Inspection and Certification

You must take reasonable steps to maintain the Insured Equipment in sound working condition and to prevent a Breakdown from occurring and to comply with any relevant law, by-law, ordinance, regulation, rule or ruling in relation to the operation, maintenance, repair or inspection of the Insured Equipment including:

- (1) where a certificate of inspection is required by any statute or regulation, such Insured Equipment shall be so certified;
- (2) where pressure plant is not inspected by a statutory authority:
 - a. the plant must be inspected and conform with Australian Standards AS3788 and all other relevant Australian Standards, regulations and codes;
 - b. the load on the safety valve or safety valves upon any item of Insured Equipment shall not be in excess of that permitted by the certificate issued for the item; and
 - c. no safety valve or other limiting device shall be removed or rendered inoperative.

Failure to do so may enable Us to refuse or reduce the amount We pay under a claim to the extent We are permitted to do so under the Insurance Contracts Act 1984 (Cth).

4. Changes

During the Policy Period You must tell Us as soon as reasonably possible after You become aware (or a reasonable person in Your circumstances would become aware of any changes to:

- any information contained in the Policy Schedule;
- the most recent information provided by You to Us in relation to the policy which You know, or could reasonably be expected to know, may affect the risks insured by Us.

Except to the extent the policy expressly provides otherwise and subject to applicable law, where the change:

- reduces the risk We insure You for We may (if applicable) provide You with a refund of a portion of the premium paid by You where the change affects the premium payable; or
- increases the risk We insure You for We may:
 - refuse to accept the change;
 - agree to the change in writing, subject to terms acceptable to Us, provided that You pay or agree to pay Us any additional premium We may require; or
 - cancel the policy; or
 - choose not to renew the policy.

It is important for You to know that We may make changes to the policy as a result of a change in Your information. When there is a change, We will inform You.

5. Transfer of interest

Your interest in the policy can only be transferred or assigned with Our agreement in writing, except when bankruptcy, insolvency or death occurs. In such cases, Your legal representative will be covered automatically in place of You.

6. Cancellation

Cancellation by You

You may cancel the policy at any time by contacting Us in writing. Cancellation will take effect from 4:00pm on the day We receive Your written notice of cancellation or such time as may be otherwise agreed between Us and You.

Cancellation by Us

We may cancel the policy as set out in the Insurance Contracts Act 1984 (Cth) by giving you written notice to that effect. This can include where:

- i) You failed to comply with the duty of the utmost good faith;
- ii) You failed to comply with the Duty of Disclosure where that duty applied to You, or made a misrepresentation to Us before entering into, varying, extending or renewing the policy;
- iii) You failed to comply with a provision of the policy, including a provision with respect to payment of the premium;
- iv) You made a fraudulent claim under the policy or any other contract of insurance (whether with Us or with some other insurer) that provided insurance cover during the Policy Period of this policy;
- v) You failed to notify Us of any specific act or omission that has occurred after this policy is entered into, where notification is required under the terms of this policy; or
- vi) the effect of the policy is to authorise Us to refuse to pay a claim, either in whole or in part, due to an act or omission of You or some other person, and after this policy was entered into, the act or omission has occurred.

Effect of cancellation

The policy with Us ends from the time of cancellation. However, cancellation by either You or Us does not affect any rights that You had under the policy when it was in force.

Premium refund

If the policy is cancelled by either You or Us, We will refund the premium for the policy less a pro-rata proportion of the premium to cover the period for which insurance applied less any government fees, taxes and duties We cannot recover. We will not refund the administration fee or policy fee shown on the Policy Schedule.

We will not refund any premium if We have paid a claim or benefit to You or on Your behalf under the policy.

7. Notice of Breakdown

When a Breakdown occurs You or Your representative must notify Us as soon as reasonably possible and provide written confirmation as soon as practicable.

8. Duties in the event of loss or damage

In the event of loss or damage following a Breakdown of Insured Equipment:

- a) You must take the measures reasonably necessary to salvage or protect the Insured Equipment or Insured Property from further damage. You must, however, allow Us reasonable time and opportunity to examine the damaged property before physical evidence of the Breakdown is removed;
- b) You must take reasonable steps to reduce Your loss, if possible, by:
 - i) resuming business, either partially or completely;
 - ii) using merchandise or other property available to You; or
 - iii) using the property or services of others;
- c) You must assist Us where reasonably requested in Our investigation or and assessment or a claim, including making property and records available for Us to see, and permitting Us to question You and Your employees about any matter relating to the claim; and
- d) You must send Us a statement of loss containing the information We require to settle the claim.

We will only request information relevant to handling the claim and will explain why it is required. We will in doing the above act reasonably having regard to Your interests, and will keep You informed if You ask Us to.

9. Claim payments

We will make payment to You or as You direct Us to do so in writing.

10. Recovery from others

When We make payment, the rights You may have to recover all or part of Your loss from someone else are transferred to Us to the extent of Our payment. You must not do anything to waive or prejudice these rights of recovery. You must give Us any legal documents and other assistance We may require to pursue such rights. We will only request legal documents and other assistance that is relevant to the pursuit of Our rights to recover from someone else, and We will tell You why it is needed.

11. Reasonable care

You must take all reasonable care and precautions for the safety and protection of the Insured Equipment and Insured Property and must at all times use due diligence in maintaining the Insured Equipment and Insured Property in such order and condition as to minimise the risk of loss, destruction or damage.

12. Prior damage

Where damage has occurred prior to the commencement of the Policy Period and such damage has not been repaired or made good, We shall not be liable for such damage or for any resultant loss, destruction or damage that subsequently occurs therefrom.

You should take care to ensure that You do not insure items that may already be damaged to which this condition may apply or there is a risk that You may over-insure in the circumstances.

13. Insurance Contracts Act 1984 (Cth)

Nothing contained in the policy is to be construed to reduce or waive either Your or Our privileges, rights or remedies available under the Insurance Contracts Act 1984 (Cth), including any amendment, replacement, re-enactment, successor, equivalent or similar legislation including delegated legislation.

14. Governing law

The policy will be governed in accordance with the laws of the Commonwealth of Australia. Any disputes arising out of the policy will be subject to determination by any Court of competent jurisdiction within the State or Territory in which the policy was issued and according to the laws applicable to that jurisdiction.

15. Failure to comply

If You fail to comply with any term, condition or provision of the policy We may refuse or reduce Your claim. Our rights will be subject to the provisions of section 54 of the Insurance Contracts Act 1984 (Cth), including any amendment, replacement, re-enactment, successor, equivalent or similar legislation including delegated legislation.

The course of action We take when You fail to meet Your responsibilities will be considered in each circumstance based on what impact or effect Your failure to comply caused or contributed to the claim or Our decision to issue Your policy.

NSW

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SURA Engineering Pty Ltd ABN 40 147 579 100
acts as an agent for the Insurer and is authorised
to arrange, enter into/bind and administer this
insurance on their behalf.

SURA Engineering Pty Ltd is an
authorised representative of SURA Pty Ltd
ABN 36 115 672 350 AFSL 294313.

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