SURA MOTOR DEALERS



Motor Dealers Insurance

Product Disclosure Statement and Policy Wording

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Contents

Important Information 13

About this Document 13

About SURA Motor Dealers 13

About the Insurer 13

Who We Insure (the Insured/You/Your) 14

Your Duty of Disclosure 14

Cooling Off Period 15

General Advice Warning 16

Claims Made and Notified 16

When We Can Refuse to Pay or Reduce the Amount We Pay Under a Claim 17

- Our rights regarding the operation of or breach of a term of the Policy 17
- Terms allowing Us to refuse to pay or reduce a claim (in whole or part) by reason of an act by You or some other person that occurred after the policy was entered into 18
- Terms allowing us to refuse or reduce a claim because of pre-existing defects or imperfections existing before the policy was entered into 18
- Terms allowing Us to refuse or reduce a claim because of a pre-existing sickness or disability existing before the policy was entered into 19
- Fraudulent claims 19

Duty of Utmost Good Faith 19

Terms Apply to the Extent Enforceable 19

General Insurance Code of Practice 20

Privacy Statement 20

Complaints and Dispute Resolution Process 21

- Service of Suit 22

Several Liability 22

Sanctions 23

Third Party Interests 23

Governing Law and Jurisdiction 24

Cover Under More Than One Section 24

Goods and Services Tax (GST) 25

Notices 25

Headings 25

Further PDS information 25

Policy Interpretation 26

Cover Overview 27
Significant Features and Benefits 27
Cover sections 27
Additional benefits 27
Optional covers 28
This Policy does not cover certain things 28
This Policy may not match Your expectations 28
Excess 28
Preventing Our rights of recovery 29

General Exclusions 30
Conflict 30
Consequential Loss 30
Nuclear 30
Existing Damage 30
Non-compliance 31
Specific Property 31
Contractual Liability 31
Deliberate Damage 31
Terrorism 31
Electronic Data 31
Communicable Diseases 32
Property Cyber and Data 33

General Definitions 34

Section 1A – Industrial Special Risks – Property Damage 43
The Cover 43
Definitions 43
Basis of Settlement 45
Claim Calculation Conditions 47
Reinstatement or replacement 47
Extra cost of reinstatement 48
Floor space ratio index (plot ratio) 48
Loss of Land Value 49
Excess 49
Limit of Liability 50

Additional Benefits 50
Total Loss extension 50
Professional fees 50
Government or authority fees 50
Fire extinguishing costs 51
Temporary protection costs 51
Clearance of drains 51
Exploratory costs 51
Customs, excise and other duties 51
Optional Covers 51
Glass 51
Accounts receivable 52
Removal of Debris 53
Director's or Employee's Property 53
Express carriage rates and extra payments 53
Costs and expenses of enquiries 53
Boiler and Pressure Plant Explosion 54
Fusion 54
Conditions 55
Co-insurance 55
Exclusions 55

Section 1B – Industrial Special Risks – Consequential Loss 56

The Cover 56
What We Cover 56
Gross Profit 56
Payroll 57
Additional increase in cost of working 58
Excess 58
Limit of Liability 58
Additional Benefits 59
Computer installations 59
Prevention of access 59
New business 59
Turnover/Output alternative 60
Diminished Value Allowance (DVA) 60

Advertising costs 61
Utilities extension 61
Optional Covers 61
Rent receivable 61
Claim preparation costs 62
Customer's premises 62
Supplier's premises 62
Conditions 63
Turnover elsewhere after damage 63
Accumulated stocks 63
Books of account 63
Salvage sale 63
Exclusions 64
Property exclusions 64
Perils exclusions 65
Claims exclusions 66
Conditions 66
Branded goods 66
Hazardous goods 66
Our rights 66
Acquired companies 67
Automatic reinstatement 67
Progress payments 67
Subrogation waiver 67
Adjustment of Premium 67
Sprinkler installations 68

Section 2 – Crime 69
The Cover 69
Definitions 69
2(A) Theft 70
Additional Benefits 70
Director's or Employee's property 70
Total Loss extension 70

Optional Covers 71
Diminished Value Allowance (DVA) 71
Advertising costs 72
Claim preparation costs 72
2(B) Money 72
2(C) Employee Dishonesty 72
Basis of Settlement 73
Claim Calculation Conditions 75
Reinstatement or replacement 75
Extra cost of reinstatement 76
Floor space ratio index (plot ratio) 77
Excess 77
Limit of Liability 78
Exclusions 78
Theft exclusions 78
Money exclusions 78
Employee Dishonesty exclusions 79
Property exclusions 79
Perils exclusions 80
Claims exclusions 80
Conditions 80
Branded goods 80
Our rights 80
Acquired companies 81
Automatic reinstatement 81
Progress payments 81
Subrogation waiver 81
Adjustment of Premium 81

Section 3 – Hail Damage To Vehicles 82
The Cover 82
Definitions 82
Basis of Settlement 82
Excess 83
Limit of Liability 84

Additional Benefits 84
Diminished Value Allowance (DVA) 84
Total Loss extension 85
Advertising costs 85
Exclusions 85
Conditions 85
One Event for Hail 85
Exclusion period 85
Co-Insurance 86
Acquired companies 86
Automatic reinstatement 86
Progress payments 86

Section 4 – Commercial Motor Composite 87

The Cover 87
Damage to Your Vehicle 87
Legal liability 87
Definitions 87
Basis of Settlement 88
Damage to Your Vehicle 88
Legal liability 89
Excess 89
Limit of Liability 90
Damage to Your Vehicle 90
Legal liability 90
Additional Benefits 90
Replacement Vehicle 90
Towing and storage 90
Dangerous Goods 91
Cover for others 91
Trailers 91
Removal of Debris 91
Towed Vehicle 92
Diminished Value Allowance (DVA) 92
Total Loss extension 93
Loan Vehicles 93

Testing, delivery and collection 93
Unregistered Vehicles 93
Exclusions 94
Conditions 95
At the Accident/Event scene 95
After the Accident/Event 96
Conduct of claims 97

Section 5 – Broadform Public and Products Liability 98
The Cover 98
Definitions 98
Additional Benefits 99
Inquiry costs 99
Expenses 99
Additional costs 99
Faulty workmanship 100
Excess 100
Limits of Liability 100
Public liability 100
Products liability 100
Defence Costs 100
Exclusions 101

Section 6 – Equipment Breakdown 106
The Cover 106
Definitions 106
Basis of Settlement 107
Equipment 107
Other Insured Property 108
Excess 108
Limit of Liability 108
Additional Benefits 108
Professional fees 108
Expediting expenses 109
Temporary hire costs 109
Water Damage 109

Hazardous substances 109
Newly acquired Premises 109
Optional Cover 110
Business interruption 110
Exclusions 110
Conditions 111
One Breakdown 111
Inspection 111
Precautions 111

Section 7 – Inland Transit 113
The Cover 113
Definitions 113
Basis of Settlement 113
Excess 114
Limit of Liability 114
Additional Benefits 115
Extra costs and expenses 115
Diminished Value Allowance (DVA) 115
Total Loss extension 116
Advertising costs 116
Claim preparation costs 116
Removal of Debris 116
Extended transit cover 116
Acquired companies 116
Exclusions 117
Conditions 117
Brands and labels clause 117
General average and salvage clause 117
Waiver 117
Automatic reinstatement 118

Section 8 – Tax Audit 119
The Cover 119
Definitions 119
Limit of Liability 120

Additional Benefits 120
Extra benefit 120
Optional Covers 121
Director Tax Audits 121
Superannuation cover 121
Exclusions 121
Conditions 123

Section 9 – Occupational Liability 124

The Cover 124
Insuring Clause 1: Directors and Officers Liability 124
Insuring Clause 2: Company Reimbursement 124
Insuring Clause 3: Company Liability 124
Insuring Clause 4: Employment Practice Liability 124
Insuring Clause 5: Trustee Liability 125
Insuring Clause 6: Fidelity Loss 125
Insuring Clause 7: Business Crisis Consultant Fees 125
Insuring Clause 8: Motor Trades Errors and Omissions 125
Definitions 125
Limit of Liability 132
Additional Benefits 133
Acquisition or creation of new Subsidiaries 133
Advancement of Defence Costs and Representation Expenses 133
Continuity 134
Fraud investigator expenses 134
Legal representatives 135
Lost Documents 135
Occupational Health and Safety Expenses 135
One reinstatement of the errors and omissions Limit of Liability 136
One reinstatement of the management liability Limit of Liability 136
Outside Directorships 137
Pecuniary penalties 137
Pollution Expenses 138
Representation Expenses 138
Spouses 138
Sub-contractors and consultants 138

Subsidiary runoff cover 139
Optional Covers 139
Company pecuniary penalties 139
Exclusions 140
Asbestos 140
Benefits 140
Bodily Injury and Property Damage 140
Capital raising 140
Dishonest or criminal intent/improper conduct 140
Fading and mould 141
Industrial relations 141
Insolvency 141
Insured v Insured 142
Known claims and circumstances 142
Major shareholder 142
Motor, marine, Aircraft 142
Occupational Health and Safety Law 142
Occupiers liability 142
Pollution 142
Product liability and product recall 142
Professional services 143
Additional Exclusions – Insuring clause 3 143
Additional Exclusions – Insuring Clause 4 144
Additional Exclusions – Insuring Clause 6 145
Additional Exclusions – Insuring Clause 8 146
Claims Conditions 149
Notification 149
Co-operation 149
Claims conduct 149
Settlement 150
Basis of valuation of Fidelity Loss 150
Allocation of Loss 151
Subrogation and recoveries 151

Conditions Applying to Section 9 **153**

Acquisition, Merger or winding up of Company 153

Authorisation 153

Company failure to indemnify 153

Confidentiality 153

General Conditions Applying to All Sections **154**

Cancellation 154

Claims Notice 155

Claims Conduct 155

Cross Liability 155

Material Changes 156

Property Inspection 156

Statutory Requirements 156

Subrogation 156

Severability and Imputation 156

Important Information

About this Document

This is an important document that must be read carefully before making a decision in relation to this insurance (which is not compulsory). 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.

See the General Definitions section page 34 for details regarding terms that have special meaning. In some cases, a word with special meaning may be defined in a specific part of the Policy.

This document is also a Product Disclosure Statement (PDS) under the Corporations Act 2001 (Cth) to the extent specified (See Further PDS Information).

About SURA Motor Dealers

SURA Motor Dealers is a trading name of SURA Pty Ltd ABN 36 115 672 350 AFSL 294 313. In issuing the Policy SURA Motor Dealers act under an authority given by the Insurers.

This means that when issuing the Policy SURA Motor Dealers will be acting as agents for the Insurers, not for You.

SURA Motor Dealers contact details are:

Level 14, 141 Walker Street
North Sydney NSW 2060
PO Box 1813
North Sydney NSW 2059
Telephone: (02) 9930 9560

About the Insurer

This insurance is underwritten by certain underwriters at Lloyd's led by Argenta Syndicate Management Limited, Lloyd's Syndicate 2121.

Lloyd's has been insuring Australian risks for over 150 years and is licensed to write non-life insurance business under the Australian Insurance Act 1973. You or Your representatives can obtain further details of the syndicate numbers and the proportions of this insurance for which each of the Underwriters at Lloyd's is liable by requesting them from Us. In the event of loss, each Underwriter (and their Executors and Administrators) is only liable for their own share of the loss.

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

Lloyd's contact details are:

Lloyd's Australia Limited
PO Box R1745 Royal Exchange
Sydney NSW 1225
Telephone: (02) 8298 0700

Who We Insure (the Insured/You/Your)

We enter into the Policy with the person(s) or entity(ies) named in the Policy Schedule as the Insured (referred to as You, Your or Insured).

Certain persons or entities who are not contracting parties may be entitled to access cover by reason of the Insurance Contracts Act 1984 (Cth). See Third Party Interests for more detail.

No insurance is provided in relation to the interest of any persons other than You or a Third Party Beneficiary.

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 fail to comply with Your duty of disclosure, and We would not have entered into the contract, for the same premium and on the same terms and conditions, had the failure not occurred, We may, subject to applicable law:

- be entitled to cancel Your contract or reduce the amount We will pay You if You make a claim, or both; or
- if Your failure to tell Us is fraudulent, refuse to pay a claim and treat the contract as if it never existed.

Subject to applicable law or unless we state otherwise, a breach of the duty by one insured affects all insureds in these ways.

Avoiding misrepresentations

Under the Insurance Contracts Act 1984 (Cth) You make a misrepresentation to Us before the insurance contract is entered into (this includes before each renewal, extension, variation, replacement or reinstatement of an insurance contract) and We would not have entered into the contract, for the same premium and on the same terms and conditions, had the misrepresentation not occurred, We may, subject to applicable law:

- be entitled to cancel Your contract or reduce the amount We will pay You if You make a claim, or both; or
- if Your misrepresentation was fraudulent, refuse to pay a claim and treat the contract as if it never existed.

Subject to applicable law or unless we state otherwise, a breach by one insured affects all insureds in these ways.

A misrepresentation includes a statement that is in any way false, misleading, dishonest or which does not fairly reflect the truth. For example, a statement of fact that is not true, a statement of opinion that is not the subject of an honestly held belief or a statement of intent that never existed at the time provided. We will not treat something as a misrepresentation merely because You failed to answer a question or gave an obviously incomplete or irrelevant answer to a question.

Refer to the Insurance Contracts Act 1984 (Cth) for full details as this is only a summary.

Answering Our questions

Answers to Our questions help Us decide whether to provide You with insurance and if so, on what terms. When answering Our questions:

- take reasonable care to make sure Your answers are true, honest, up to date and complete in all respects. You may breach the duty if You answer without any care as to its truth or if You only guess or suspect the truth. If in doubt, pause the application and obtain the true facts before answering; and
- if another person is answering for You, We will treat their answers as Yours. In such a case, You should check the questions have been answered correctly on Your behalf by them.

Please note that You have obligations beyond these pre-contractual duty of disclosure and avoiding misrepresentation obligations once the contract is entered into, which are set out in the contract terms and applicable law.

Cooling Off Period

You have a cooling off period of twenty-one (21) days from the date we first issue Your Policy and also on any renewal.

During this period, You can return the Policy and receive a refund of Your premium provided You have not exercised any right or power under the Policy (e.g. made any claim) and these rights and powers have not ended.

We may deduct any reasonable administrative and transaction costs incurred by Us that are reasonably related to the acquisition and termination of the Policy and any amounts in relation to Government taxes or duties We cannot recover, from any refund amount.

In addition to Your cooling off period, You can cancel Your Policy at any time (See "Cancellation").

General Advice Warning

Any advice about this insurance that We or SURA Motor Dealers give You is of a general nature. We do not consider Your individual objectives, financial situation or needs. It is up to You to choose the cover You need, and You should carefully read this document and any other documents that form part of the Policy before deciding whether this insurance is right for You.

Claims Made and Notified

Section 8 – Tax Audit and Section 9 Occupational Liability Additional Benefits are issued on a "claims made and notified" basis.

This means that those sections of the Policy cover claims that are first made against You (not claims You submit for cover under the Policy but claims, as defined in those sections, made against You by another person) and notified to Us during the Period of Insurance.

Where your Policy has an extended or additional reporting period, subject to the terms of the Policy, You may have:

- an additional period to tell Us about claims first made against You during the Period of Insurance; and/or
- cover for claims first made against You during the extended reporting period and which You tell Us about during the extended or additional reporting period – provided the claim is based on an act, error, or omission alleged to have been committed prior to the expiry of the Period of Insurance.

The Policy doesn't cover facts or circumstances of which You first became aware prior to the Period of Insurance, and which You knew or ought reasonably to have known had the potential to give rise to a claim against You, subject to any continuity of cover term which may, subject to its terms, provide an exception to this.

If a retroactive date is applied or shown on the Schedule, the Policy also doesn't cover claims arising directly or indirectly from any acts, errors, omissions, or events actually or allegedly occurring before that date. The above is only a high-level overview. You must refer to the Policy for full terms and conditions that apply.

Operation of section 40(3) of the Insurance Contracts Act 1984 (Cth)

This notice and explanation does not form part of and is not a term of the Policy.

However, if, during the Period of Insurance, You become aware of facts that might give rise to a Claim against You, Section 40(3) of the Insurance Contracts Act 1984 (Cth) provides You with an option to notify Us of those facts during the Period of Insurance. This is not a term of the Policy. If You give Us written notification of such facts during the Period of Insurance pursuant to Section 40(3), as long as You were not aware of such facts prior to the commencement of the Period of Insurance, the Policy will apply to a Claim (arising from those facts) made against You, even if the Claim is made against You after expiry of the Period of Insurance, subject to other terms, conditions and exclusions of the Policy.

For Your information, section 40(3) is detailed below:

"(3) Where the insured gave notice in writing to the insurer of facts that might give rise to a claim against the insured as soon as was reasonably practicable after the insured became aware of those facts but before the insurance cover provided by the contract expired, the insurer is not relieved of liability under the contract in respect of the claim, when made, by reason only that it was made after the expiration of the period of the insurance cover provided by the contract."

When We Can Refuse to Pay or Reduce the Amount We Pay Under a Claim

We may only ever refuse to pay or reduce the amount We pay under a claim (in whole or part) to the extent permitted by applicable law.

Some situations in which We may refuse to pay or reduce the amount We pay under a claim under the Policy (to the extent permitted by applicable law) include (but are not limited to):

- when You apply for cover (this includes new business, variations, extensions, reinstatements, and renewals) and do not comply with Your duty of disclosure or avoiding misrepresentations obligations.
- if You do not comply with or meet a Policy term or condition or We can rely on an exclusion or other limitation (All referred to as terms when used in the Policy) – See "Our rights regarding the operation of or breach of a term of the Policy".
- if You make a fraudulent claim – See Fraudulent claims for more detail.
- where You have not or are not acting in accordance with Your duty of utmost good faith under the Insurance Contracts Act 1984 (Cth) – See "Duty of Utmost Good Faith" for more detail.

We may also have cancellation rights in the above circumstances to the extent permitted by applicable law.

Subject to applicable law, the amount of any claim entitlement can also be affected and/or reduced by other things, including any limits (e.g. monetary or time limits) or Excess(es), any outstanding Premium and recoveries You or We might make relevant to a loss as set out in the Policy terms.

See Our rights regarding the operation of or breach of a term of the Policy for more detail.

Our rights regarding the operation of or breach of a term of the Policy

We will only rely on any rights We have regarding the operation of or breach of a term of the Policy to the extent permitted by applicable law (including Our right to refuse or reduce a claim if You do not comply with or meet a Policy term or condition or where an exclusion or other limitation applies). The law can be complex and We provide a high-level summary below of some key examples on how the Insurance Contracts Act 1984 (Cth) may affect matters depending on the circumstances. To the extent of any inconsistency the Insurance Contracts Act 1984 (Cth) will prevail.

Other laws can apply beyond the Insurance Contracts Act 1984 (Cth) such as the Corporations Act 2001 (Cth) and the Australian Securities and Investment Commissions Act 2001 (Cth) and You need to seek Your own advice regarding all relevant legal rights You may have.

Terms allowing Us to refuse to pay or reduce a claim (in whole or part) by reason of an act by You or some other person that occurred after the policy was entered into

Subject to Our rights in relation to fraudulent claims explained below, by reason of section 54 of the Insurance Contracts Act 1984 (Cth), where the effect of the Policy (this includes all terms or conditions, including any exclusion or other limitation) is to allow Us to refuse to pay or reduce a claim (in whole or part) by reason of an act by You or some other person that occurred after the Policy was entered into, We will exercise Our rights under the Policy as explained below (Refer to the Insurance Contracts Act 1984 (Cth) for full details).

Under section 54, an "act" by You or some other person includes an omission and inaction and an act or omission that has the effect of altering the state or condition of the subject-matter of the Policy or of allowing the state or condition of that subject-matter to alter.

How We exercise Our rights where section 54 applies (unless there is a fraudulent claim)

- Where:
  - the act was necessary to protect the safety of a person or to preserve property;
  - it was not reasonably possible for You or the other person not to do the act; or
  - You prove no part of the loss that gave rise to the claim was caused by the act,

  We will not refuse to pay or reduce the claim by reason only of that act.
- Where the act:
  - could not reasonably be regarded as being capable of causing or contributing to a loss in respect of which insurance cover is provided by the Policy; or
  - could reasonably be regarded as being capable of causing or contributing to a loss in respect of which insurance cover is provided by the Policy but You prove that some part of the loss that gave rise to the claim was not caused by the act, so far as it concerns that part of the loss,

  We may not refuse to pay or reduce the claim by reason only of that act, but We can reduce our liability in respect of the claim by an amount that fairly represents the extent to which Our interests were prejudiced as a result of that act.
- Otherwise, where the act could reasonably be regarded as being capable of causing or contributing to a loss in respect of which insurance cover is provided by the Policy, We may refuse to pay the claim.

(Refer to the Insurance Contracts Act 1984 (Cth) for full details.)

Terms allowing us to refuse or reduce a claim because of pre-existing defects or imperfections existing before the policy was entered into

Only where section 46 of the Insurance Contracts Act 1984 (Cth) is applicable to the Policy:

- where a claim is made in respect of a loss that occurred as a result, in whole or in part, of a defect or imperfection in a thing; and
- where at the time when the contract was entered into You were not aware of, and a reasonable person in the circumstances could not be expected to have been aware of, the defect or imperfection,

We may not rely on any provision included in the Policy that has the effect of limiting or excluding Our liability under the contract by reference to the condition, at a time before the Policy was entered into, of the thing. This does not apply if the Policy is in an excluded class to which section 46 does not apply.

(Refer to the Insurance Contracts Act 1984 (Cth) for full details.)

Terms allowing Us to refuse or reduce a claim because of a pre-existing sickness or disability existing before the policy was entered into

Only where section 47 of the Insurance Contracts Act 1984 (Cth) is applicable to the Policy:

- where a claim under the Policy is made in respect of a loss that occurred as a result, in whole or in part, of a sickness or disability to which a person was subject or had at any time been subject; and
- where, at the time when the contract was entered into, You were not aware of, and a reasonable person in the circumstances could not be expected to have been aware of, the sickness or disability,

We may not rely on a provision included in the Policy that has the effect of limiting or excluding Our liability under the Policy by reference to the sickness or disability to which You were subject at a time before the Policy was entered into (Refer to the Insurance Contracts Act 1984 (Cth) for full details).

Fraudulent claims

In all cases, where a claim is made fraudulently under:

- the Policy; or
- the Insurance Contracts Act 1984 (Cth) against Us by a person who is not You,

We may refuse payment of the claim to the extent permitted by applicable law. Under section 56(2) of the Insurance Contracts Act 1984 (Cth) a court may, if only a minimal or insignificant part of the claim is made fraudulently and non-payment of the remainder of the claim would be harsh and unfair, order Us to pay, in relation to the claim, such amount (if any) as is just and equitable in the circumstances (Refer to the Insurance Contracts Act 1984 (Cth) for full details).

Duty of Utmost Good Faith

The following can also (where applicable) affect Our and Your rights and obligations regarding the operation of, reliance on, or breach of a term of the Policy:

- section 13 of the Insurance Contracts Act 1984 (Cth) requires each party to the Policy to act towards the other party, in respect of any matter arising under or in relation to it, with the utmost good faith. The obligation also extends to third party beneficiaries as defined in the Act but only applies to them after the contract is entered into.
- section 14 of the Insurance Contracts Act 1984 (Cth) provides that if reliance by a party to the Policy on a provision of the Policy would be to fail to act with the utmost good faith, the party may not rely on the provision.

(Refer to the Insurance Contracts Act 1984 (Cth) for full details).

Terms Apply to the Extent Enforceable

A term (or part of a term) of the Policy will be applied to the extent is not unenforceable under applicable law.

General Insurance Code of Practice

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

Lloyd's Australia Limited has adopted and endorses the Code.

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.

Privacy Statement

In this Privacy Statement the use of We, Our or Us means SURA Motor Dealers 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 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 Duty of Disclosure in this document.

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.

Complaints and Dispute Resolution Process

If You have any concerns or wish to make a complaint in relation to the 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 SURA Motor Dealers in the first instance:

Complaints Officer
SURA Motor Dealers
Email: IDR@SURA.com.au
Telephone: (02) 9930 9500
Post: Level 14, 141 Walker Street
North Sydney NSW 2060

We will acknowledge receipt of Your complaint and do Our utmost to resolve the complaint to Your satisfaction. A complaint decision will be provided to you within 30 calendar days. If we are unable to meet this timeframe we will inform you of the reason for the delay.

If your complaint is not resolved to your satisfaction, or you do not receive a complaint decision within 30 calendar days of the date on which you first made the complaint, you can refer your complaint to the Australian Financial Complaints Authority (AFCA).

You can contact AFCA as follows:

Australian Financial Complaints Authority
Post: GPO Box 3,
Melbourne VIC 3001
Telephone: 1800 931 678
Email: info@afca.org.au
Website: www.afca.org.au

AFCA services are provided to you free of charge. Your complaint must be referred to AFCA within 2 years of the complaint decision, unless AFCA considers special circumstances apply. If your complaint is not eligible for consideration by AFCA, you may have access to other external dispute resolution options.

Service of Suit

In accepting this insurance, We agree that:

- if a dispute arises under the Policy, the Policy will be subject to Australian law and practice and We will submit to the jurisdiction of any competent Court in the Commonwealth of Australia;
- any summons to be served upon Us may be served upon:

  Lloyd's Underwriters' General Representative in Australia
  PO Box R1745 Royal Exchange Sydney NSW 1225
  Email: serviceofsuitaus@lloyds.com

  who has authority to accept service on Our behalf;
- if a suit is instituted against any of the Insurers, all Insurers participating in the Policy 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 possible to:

SURA Motor Dealers
Level 14, 141 Walker Street
North Sydney NSW 2060
Telephone: (02) 9930 9500
Email: IDR@SURA.com.au

Several Liability

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 in the Policy Schedule.

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 any other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Although reference is made at various parts 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. The insurers named hereon bind themselves each and for their own part and not one for another.

Each insurer's liability under this contract shall not exceed that percentage or amount of the risk shown against that insurer's name.

Sanctions

We shall not be deemed to provide cover and We shall not be liable to pay any claim or provide any benefit under this Policy to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose Us, Our parent company or Our ultimate controlling entity to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, the Commonwealth of Australia, United Kingdom or the United States of America.

Third Party Interests

The contracting insureds (the Insured) are the only parties to the Policy.

No insurance is provided in relation to the interest of any persons not specified as being entitled to access a benefit under the Policy.

The benefit of the cover under the Policy is extended automatically to Third Party Beneficiaries. They are not contracting parties and only access the benefit of cover by reason of the operation of section 48 of the Insurance Contracts Act 1984 (Cth). The following sets out how the Policy operates in relation to such persons (subject always to the operation of applicable law).

Access to cover only applies from the time they become a Third Party Beneficiary and ends when they are no longer a Third Party Beneficiary.

Nothing in the Policy is intended to give any such Third Party Beneficiaries any right to enforce any term of the Policy which that person would not have had but for the Insurance Contracts Act 1984 (Cth). Their rights and obligations are subject to the operation of the Insurance Contracts Act 1984 (Cth) as it applies to such persons and other applicable law.

They:

- have, in relation to a claim, the same obligations to Us as they would have if they were the Insured; and
- may discharge the Insured's obligations in relation to the loss, damage or liability.

We also have the same defences to an action by such persons as We would have in an action by the Insured including, but not limited to, defences relating to the Insured's conduct (whether the conduct occurred before or after the Policy was entered into). Any exclusions applying to the Insured also apply to a Third Party Beneficiary claiming under the Policy.

Such persons have no right to cancel or vary the Policy or its cover – only the Insured (as the contracting party) and We can do this. If We cancel or vary the Policy or its cover, We do not need to obtain such persons' consent to do so.

We also do not provide any notices in relation to this insurance to such persons as they are not a contracting party to the Policy. We only send notices to the Insured who we have contractual obligations to under the Policy.

Neither We nor the Insured hold anything on trust for, or for the benefit or on behalf of any such persons under this insurance arrangement.

The Insured:

- does not act on Our behalf in relation to the insurance;
- is not authorised by Us to provide any financial product advice, recommendations or opinions about the insurance.

Any Third Party Beneficiary needs to read this document and other documents forming the Policy carefully to properly understand the benefits they have access to as non-contracting parties. The insurance cover is subject to the terms, conditions, limitations and exclusions of the Policy.

Any person who may be entitled to a benefit under the Policy should consider obtaining advice as to whether the benefits are appropriate or useful for their personal needs from a person who is licensed to give such advice. No advice is provided by Us or Our representatives that the benefits are appropriate or useful for any person's needs. Nothing prevents such persons from entering into other arrangements regarding insurance.

In some cases the Insured may specify loss payees We will make payments to (e.g. a financier).

Governing Law and Jurisdiction

The Policy is governed by the laws of Australia. Any dispute relating to this Policy shall be submitted to the exclusive jurisdiction of an Australian Court within the State or Territory in which the Policy was issued.

Cover Under More Than One Section

In relation to loss, damage or expense that may be covered under more than one section or benefits of this Policy, We will cover You under the section that provides the most favourable cover for the loss, damage or expense.

Our limit of liability is not increased because You are covered under more than one section and is limited to the limit of liability that applies to the most favourable cover.

Goods and Services Tax (GST)

The amount payable by You for this Policy includes an amount for GST.

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

The amount that We are liable to pay under this Policy will be reduced by the amount of any Input Tax Credit (ITC) that You are or may be entitled to claim for the supply of goods or services covered by that payment.

You must advise Us of Your correct Australian Business Number (ABN) and Taxable Percentage. Taxable Percentage is Your entitlement to an ITC on Your premium as a percentage of the total GST on that premium. Any GST liability arising from Your incorrect advice to us of Your ITC entitlement is payable by You.

Where the settlement of a claim is less than the applicable Limit of Liability or the other limits applicable to this Policy, We will only pay the GST (less Your ITC) applicable to the settlement. This means that if these amounts are not sufficient to cover the whole claim, We will only pay the GST relating to Our share of the settlement for the whole 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 have the same meaning as given to those words or expressions in A New Tax System (Goods and Services Tax) Act 1999 and related legislation as amended from time to time.

Notices

We will send Policy documents and Policy related communications and notices to Your nominated Intermediary representing You electronically, including by email. You must tell Us if Your Intermediary or contact details change. Subject to applicable law, You will be deemed to have received each electronic communication 24 hours from the time We send it.

Headings

Headings have been included for ease of reference and it is understood and agreed that the terms and Conditions of this Policy are not to be construed or interpreted by reference to such headings.

Further PDS information

This insurance contains cover which may or may not be provided to a retail client as defined under the Corporations Act 2001 (Cth) depending on the circumstances. Only the parts of this document (and any other documents forming part of the policy) that apply to cover provided to a retail client, will form the Product Disclosure Statement (PDS) for the purposes of the Corporations Act 2001 (Cth).

We may need to update the PDS from time to time if certain changes occur when required and permitted by law. We will issue You with a new PDS or a supplementary PDS or other compliant document (for example policy schedules, and/or endorsements) to update the relevant information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance We may issue You with notice of this information in other forms or keep an internal record of such changes. An electronic copy made available without charge by contacting Us using Our contact details in this document.

This PDS (together with any amendments, updates or endorsements, or Supplementary PDSs that We give You in writing which may vary it when required or permitted by law) will also apply for any offer of renewal We make, unless We tell You otherwise or issue You with a new and updated PDS.

If You do not have the confirmation of transaction details required by section 1017F of the Corporations Act 2001 (Cth) in relation to the Policy, it is a Policy Term that such information will be provided via Our confirmation facility which is available by contacting Us using Our contact details.

Policy Interpretation

Headings are for convenience only and do not affect interpretation; and unless the context indicates a contrary intention:

- a reference to a statute includes its delegated legislation and a reference to a statute or delegated legislation or a provision of either includes consolidations, amendments, successors, re-enactments and replacements thereof;
- 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;
- any examples provided are subject always to the Policy terms and applicable law; and
- a reference to "$" or "dollar" is to Australian currency.

Cover Overview

Significant Features and Benefits

Features and benefits of this Policy depend on which section(s) of the Policy You effect.

Cover sections

This document includes a number of different sections as set out below:

Section 1A	Industrial Special Risks – Property Damage
Section 1B	Industrial Special Risks – Consequential Loss
Section 2	Crime
Section 3	Hail Damage to Vehicles
Section 4	Commercial Motor Composite
Section 5	Broadform Public and Products Liability
Section 6	Equipment Breakdown
Section 7	Inland Transit
Section 8	Tax Audit
Section 9	Occupational Liability

You may choose to insure the section(s) You need depending on Your individual circumstances and subject to eligibility. The section(s) You are covered for will be set out on Your Schedule. You are only insured under those sections set out in Your Schedule.

Additional benefits

There are additional benefits to the cover given. Additional Benefits are benefits that automatically expand upon the cover given in the applicable section(s) of this Policy.

The scope of cover provided by each additional benefit is detailed in the Policy terms and conditions.

Additional Benefits can be found in the Policy wording, please refer to:

- Pages 50 – 51 for Section 1(A) Industrial Special Risks – Property Damage Additional Benefits
- Pages 59– 61 for Section 1(B) Industrial Special Risks – Consequential Loss Additional Benefits
- Page 70 for Section 2 Crime Additional Benefits
- Pages 84 – 85 for Section 3 Hail Damage to Vehicles Additional Benefits
- Pages 90 – 93 for Section 4 Commercial Motor Composite Additional Benefits
- Page 99 – 100 for Section 5 Broadform Public and Products Liability Additional Benefits
- Pages 108 – 109 for Section 6 Equipment Breakdown Additional Benefits
- Pages 115 – 116 for Section 7 Inland Transit Additional Benefits
- Page 120 for Section 8 Tax Audit Additional Benefits
- Pages 133 – 139 for Section 9 Occupational Liability Additional Benefits

Optional covers

Optional covers are extensions which You can request. In most cases, additional Premium may be charged to provide cover under these optional covers. If We accept Your request and agree to provide the cover granted by any Optional cover, that optional cover will be shown as "Covered" in the Schedule and specify the sub-limit and/or Excess applying to that optional cover.

Optional covers that are not requested by You, or where We do not agree to provide cover, will be shown as "Not Covered" in the Schedule.

"Optional Covers" can be found in the Policy wording, please refer to:

- Pages 51 – 54 for Optional Covers to Section 1A Industrial Special Risks – Property Damage
- Pages 61 – 62 for Optional Covers to Section 1B Industrial Special Risks – Consequential Loss
- Pages 71 – 72 for Optional Covers to Section 2 Crime
- Page 110 for Optional Covers to Section 6 Equipment Breakdown
- Page 121 for Optional Covers to Section 8 Tax Audit
- Pages 139 for Optional Covers to Section 9 Occupational Liability

This Policy does not cover certain things

There are certain restrictions or exclusions that limit the cover given. These can be found in the Policy wording, please refer in particular to:

- Pages 30 – 33 for the General Exclusions that apply to all Policy sections
- Page 55 for exclusions applicable to Section 1A Industrial Special Risks – Property Damage
- Pages 64 – 66 for exclusions applicable to Section 1B – Industrial Special Risks – Consequential Loss
- Pages 78 – 80 for exclusions applicable to Section 2 Crime
- Page 85 for exclusions applicable to Section 3 Hail Damage to Vehicles
- Page 94 for exclusions applicable to Section 4 Commercial Motor Composite
- Page 101 for exclusions applicable to Section 5 – Broadform Public and Products Liability
- Page 110 for exclusions applicable to Section 6 – Equipment Breakdown
- Page 117 for exclusions applicable to Section 7 – Inland Transit
- Page 121 for exclusions applicable to Section 8 – Tax Audit
- Pages 140 – 143 for exclusions applicable to Section 9 Occupational Liability

This Policy may not match Your expectations

This Policy may not match Your expectations (for example, because an exclusion applies). You should read this policy wording and the Policy terms and conditions carefully. Please ask Your broker if You are unsure about any aspect of this Policy.

Excess

If You make a claim, You may be required to pay or bear one or more Excesses. The description of these Excesses and the circumstances in which they are applied are set out in this Policy Wording and other documents forming the Policy.

The amount of Excess applying to each section is shown on Your Schedule.

If You don't pay the Excess to Us or as We direct, We may deduct the Excess from the amount We pay for any claim. The relevant Limit of Liability we pay up to is less any applicable Excesses, unless We expressly state otherwise.

Preventing Our rights of recovery

You must not enter into any agreement, make any admissions or take any action or step that has the effect of limiting or excluding Your rights or Our rights to recover Your Loss without first obtaining Our approval in writing to do so.

If another person, corporation or entity is, or could have been, liable to compensate You for any Loss, Damage or legal liability otherwise covered by the Policy, but You have agreed with that person either before or after the Loss, Damage or legal 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 legal liability.

General Exclusions

The following only apply to the extent relevant and subject to applicable law which may restrict Our rights in certain circumstances. For more detail on these restrictions see When We Can Refuse to Pay or Reduce the Amount We Pay Under a Claim.

These are the general exclusions which apply to all sections of the Policy, unless otherwise specified.

We will not cover:

Conflict

claims or loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, or arising from, or in consequence of, or contributed to by:

(1) war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power;

(2) expropriation including lawful seizure, resumption, confiscation, nationalisation, destruction or Damage to property by or under the order of any government or public or local authority; or

(3) looting, sacking or pillaging following any of the events stated in (1) or (2) above.

However, this exclusion does not apply to Section 7 of this Policy to the extent of any inconsistency.

Consequential Loss

loss of use, loss of earning capacity, loss by delay, lack of performance, loss of contract or depreciation in the value of land and stock and any other consequential loss of any kind.

This exclusion does not apply to Section 1B to the extent cover is provided for such loss, damage, liability, claim, cost, expense under that section.

Nuclear

claims directly or indirectly caused by, or arising from, or in consequence of, or contributed to by:

(1) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion or co-fission of nuclear fuel;

(2) the radioactive, toxic, explosive or other dangerous properties of nuclear machinery or any part of it; or

(3) nuclear weapons material.

For the purpose of this exclusion only, combustion includes any self sustaining process of nuclear fission and/or fusion.

Existing Damage

any loss or damage which happens before the Period of Insurance or which arises from an event before the Period of Insurance starts, unless specifically stated otherwise in a Policy section.

Non-compliance

any loss or damage, liability or expense caused by or as a result of You intentional noncompliance with any relevant statutory obligations to affect insurance where legally required, by-laws, regulations, public authority requirements or safety requirements.

Specific Property

any loss or damage, liability or expense arising from or in connection with:

(1) livestock, animals, birds or fish;

(2) oil and gas drilling or production rigs whilst off shore; or

(3) standing timber, growing crops and pasture, other than landscaping.

Contractual Liability

any loss or damage in respect of which You have entered into an agreement which excludes Your right to recover from a third party or any claim for liability where You have admitted liability without Our agreement.

Deliberate Damage

any loss or damage caused deliberately by You, or by Your director, business partner, principal or Employee or with Your consent.

Terrorism

(1) personal injury, damage to property, legal liability, 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 personal injury, damage to property, legal liability, loss, damage, cost or expense; or

(2) personal injury, damage to property, legal liability, 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.

Electronic Data

(1) total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data;

(2) error in creating, amending, entering, deleting or using Electronic Data; or

(3) total or partial inability or failure to receive, send, access or use electronic data for any time or at all from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur.

However, where an Event covered under Section 1A or Section 2 but for this exclusion, is caused by any of the matters described in paragraphs (1), (2) or (3) above, this Policy, subject to all its terms and conditions, will cover Damage to Insured Property directly caused by such event or consequential loss covered under Section 1B of this Policy.

For the purposes of the calculation of claim provisions in this Policy, computer systems records include Electronic Data as defined.

Communicable Diseases

(1) We will not cover any loss, damage, claim, cost, expense or other sum whatsoever, directly or indirectly arising out of, or in any way attributable or related to, connected with or contributing concurrently or in any sequence with:

a) a Communicable Disease; or

b) the fear or threat (whether actual or perceived) of a Communicable Disease.

(2) for the purposes of this exclusion, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:

a) for a Communicable Disease, or

b) any Location(s) that is or may be affected either directly or indirectly by a Communicable Disease.

(3) for the purposes of this exclusion, a **Communicable Disease** means any:

a) physical distress, illness, or disease caused or transmitted directly or indirectly by any virus, bacterium, parasite, fungus or other organism or any variation thereof, whether deemed living or not, and regardless of the means of transmission or whether it was discovered at the Location(s), or whether it was, or is, occurring at the Location(s), or in respect of which there is an occurrence or an outbreak elsewhere; or

b) any virus, bacterium, parasite, or other organism or any variation thereof, whether deemed living or not which causes, or is likely and/or expected to cause, physical distress, illness or disease. This sub-clause of this definition does not apply where such an organism causes a Covered Disease; or

c) any disease which is a quarantinable disease or a listed human disease under the Biosecurity Act 2015 (Cth), as may be amended from time to time and any replacement, successor or functionally similar legislation of the Commonwealth of Australia (or of the applicable State or Territory of the Commonwealth of Australia in which the Location(s) are located), including delegated legislation irrespective of whether it was discovered at the Location(s), or was, or is, occurring at the Location(s) or in respect of which there is an occurrence or outbreak elsewhere; or

d) disease determined by the World Health Organisation to be a Public Health Emergency of International Concern (PHEIC); or

e) physical distress, illness or disease that gives rise to an Epidemic or Pandemic (or which is likely or expected to give rise to an Epidemic or Pandemic) regardless of the means of transmission or whether it was discovered at the Location(s), or whether it was, or is, occurring at the Location(s) or in respect of which there is an occurrence or outbreak elsewhere; or

f) mutation of the illnesses, diseases or organisms described in sub-clauses (3)(a), (3)(b), (3)(c), (3)(d) and (3)(e);

g) disease which can be transmitted by means of any substance or agent from any organism to another organism where 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 insured hereunder.

(4) for the purposes of sub-clause (3)(e):

a) Epidemic means the occurrence in a community, region, state or nation of cases of an illness, specific health-related behaviour, or other health-related events exceeding normal expectancy or recorded averages or seasonal variances in that community, region, state or nation.

b) Pandemic means the widespread outbreak of a disease including but not limited to outbreaks which cross international boundaries and that affect a large number of people.

Property Cyber and Data

We will not cover:

(1) Cyber Loss;

(2) 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 contributing in any other sequence.

For the purpose of this exclusion:

a) **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.

b) **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 involving access to, processing of, use of or operation of any Computer System.

c) **Cyber Incident** means:

i. 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

ii. 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.

d) **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.

e) **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.

General Definitions

The following definitions apply to all sections of the Policy, unless these words are defined differently in the relevant section:

Accessories

means 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.

Accident/Accidental

means an Event that is unexpected and unintended from Your standpoint.

Act of Terrorism or Terrorism

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

Actual Cash Value

means the cost of replacing Damaged property with property of similar kind, capacity, size, quality and function.

Aircraft

means any craft or object designed to transport persons or property through the air or space, other than model aircraft.

Asbestos

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

Building or Building's

means Buildings and structural improvements, including services, fences, walls, gates and landlord's fixtures and fittings.

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.

(2) Loose or compacted soil, earth, gravel pebbles, rocks or granular rubber, gravel, pebble driveway or car park (but We will pay the cost to restore soil or earth to the extent that it is necessary to repair insured Damage to Your buildings).

Business

means the Business or occupation described in the Schedule, including the ownership of any Premises shown in the Schedule.

Customer's Vehicle

means any Vehicle owned by Your customer and left in Your custody for sale, repair, garaging, servicing or any other purpose in the course of the Business.

Damage or Damaged

means physical loss, physical damage or physical destruction that is unforeseen and unintended from Your standpoint.

Dangerous Goods

means:

(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).

Dealer Floor Plan Agreement

means the agreement by which Vehicles at the Premises are held on bailment by You and which are financed by a financial provider.

Debris

means:

(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 or contamination and which is deposited beyond the boundaries of Your Premises.

Discovered or Discovery

means when any of Your director, officer, senior manager or trustee, 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.

Documents

means documents belonging to You and used in connection with the Business.

Electronic Data

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

Emergency Repairs

means minor repairs which are essential for You to be able to drive Your vehicle safely from an Accident or event causing Damage.

Employee

means:

(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 the 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.

Endorsement

means a written change or addition We make to Your Policy with Your agreement, particularly if We have changed the cover to meet Your needs or excluded a specific cover We would have normally covered. Any endorsements that apply to Your Policy will be shown on the Schedule, unless We send You the Endorsement separately.

An Endorsement does not affect or increase the Limit of Liability, or any other term, except to the extent specifically provided in the Endorsement. Otherwise, all Endorsements are provided subject to the other relevant terms of this Policy.

Event

means one incident or all incidents of a series consequent on, or attributable to, one source or original cause.

Excess

means any Excess set out in the Schedule, this Policy or any Endorsement that applies to a claim under this Policy.

The Excess is the first amount of each and every claim that must be paid or borne by You.

If more than one Excess can be applied to one Event then You will only need to pay or bear the highest Excess, unless specified otherwise.

If You don't pay the Excess(es) to Us or as We direct, We may deduct the Excess(es) from the amount We pay in relation any claim. Unless We expressly state otherwise, the relevant Limit of Liability we pay up to is less any applicable Excesses. Unless specified otherwise the Excess is included in the Limit of Liability.

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:

(1) a lake (whether or not it has been altered or modified);
(2) a river (whether or not it has been altered or modified);
(3) a creek (whether or not it has been altered or modified);
(4) another natural watercourse (whether or not it has been altered or modified);
(5) a reservoir;
(6) a canal;
(7) a dam.

Glass

means glass (including plastic material used as glass) which belongs to You, or for which You are legally liable and including:

(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; 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.

Hail

means precipitation (falling) of particles of ice (hail stones) from clouds either separately or collected into irregular lumps.

Hazardous Goods or Substance

means:

(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

means 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.

Improved Value

means the amount expended by You in preparing a Vehicle for sale including Reasonable Repair Costs and the cost of replacement parts and Accessories.

Insurer

means Certain Underwriters at Lloyd's acting through their agent SURA Motor Dealers.

Insured

see "You" and "Your" below.

Limit of Liability

means the amount specified in the Schedule as the Limit of Liability or insured amount which is the maximum amount payable by Us under a section, part of a section or individual item or cover. The Limit of Liability includes GST.

Market Value

means 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.

Media

means material on which electronic data is recorded, such as magnetic tapes, hard disks, floppy disks, cartridges, CDs, DVDs, any cloud based system and other storage types, but Media does not include paper records.

Money

means 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.

Named Insured

means that person, company or legal entity specified as the Named Insured in the Schedule who carries on or conducts the Business. The Named Insured is authorised by all other Insureds to receive all notices under this Policy on their behalf.

North America

means the United States of America and Canada, and in each case its territories and protectorates.

Partial Loss

means Loss or Damage that is not a Total Loss.

Period of Insurance

means the time during which the Policy is in existence. It:

(1) starts from the beginning of the "Period of Insurance" specified in the Policy Schedule; and

(2) finishes 4.00pm on the last day of the end of that period of insurance, unless ending earlier in accordance with the Policy terms or applicable law. Each renewal results in a new contract and new Period of Insurance.

Personal Property

means property of a personal character that is portable such as clothing and personal belongings normally worn or carried in on person however this does not include Vehicles or Money.

Policy

means Your insurance contract. It consists of this policy wording (including the PDS content), any Supplementary PDS, any Endorsements and the Schedule, that We agree with You form part of the contract.

Pollutant or Pollutants

means 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.

Pollution

means:

(1) 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

(2) any direction or request to test for, monitor, clean up, treat, detoxify or neutralise Pollutants.

Premises

means the Premises specified in the Schedule whether owned, leased, used or occupied by You for the purposes of the Business, and/or elsewhere in Australia where the Insured may carry on the Business, or where property insured may be located either permanently or temporarily including any designated trade fair, exhibition or display anywhere within the Commonwealth of Australia.

Premium

means You also pay stamp duty, Goods and Services Tax (GST), Fire or Emergency Services Levy (FSL or ESL) and any other additional compulsory government charges. Your premium does not include any service fee charged to You by Your insurance intermediary.

Pressure Plant

means:

(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.

Pressure Plant does not include any pipe system which forms part of any other vessel or apparatus nor shall it include any mechanical or electrical machine, electrical apparatus or electronic equipment.

Product Disclosure Statement (PDS) or Policy Wording

means PDS (or PDS and Policy Wording) is the name of this document which contains the standard terms and conditions of Your insurance cover (except to the extent expressly stated otherwise). It tells You what cover We provide, details of costs and Excesses and other important information. It should be read together with the Schedule and any Endorsements and any Supplementary PDSs that we may give You which may amend the cover outlined in this document. It includes any PDS content. See "Further PDS information" for more detail.

Proposal

means the signed proposal form and declaration completed in respect of this Policy, including any renewal declaration and any information supplied by You about any matter or risk the subject of or relevant to this insurance or Policy.

Reasonable Repair Costs

means the amount We will pay when You choose Your own repairer taking into account Your repairer's quote with any adjustments or reduction recommendation by a motor vehicle assessor We appoint.

Replacement Value

means an item's value allowing for its age and condition immediately before the Loss or Damage happened.

Road

means 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

means the estimated amount that would be received if Damaged property were to be sold at the time the Damaged property is sold.

Schedule

means this is the schedule We give You that attaches to and forms part of Your Policy. You may receive more than one schedule during the Period of Insurance if You and We agree to a Policy variation. The schedule that applies will be the schedule that is expressed to be applicable at the time of and in relation to, the relevant covered Event.

Securities

means 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 depositary receipt or other securities (or interests therein) of whatever nature.

Selling Price

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

Spouse

means a lawful spouse or any person deriving similar status by reason of the common law or statute.

Stock Card Value

means 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.

Subsidiary

means:

(1) any body corporate in which the company:

a) controls the composition of the board of the body corporate;

b) is in a position to cast, or control the casting of, more than one-half of the maximum number of votes that might be cast at a general meeting of the body corporate;

c) holds more than one-half of the issued share capital of the first body (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital);

(2) any body corporate which is a subsidiary of a body corporate described in (1) (a) or (b) above; or

(3) any other body corporate whose accounts are consolidated into those of the company in accordance with the relevant Australian Accounting Standard.

Supplementary PDS

means a document that updates or adds to the information in the PDS.

Third Party Beneficiary/ies

means persons who are not contracting parties to the Policy but to whom the benefit of cover is extended by reason of section 48 of the Insurance Contracts Act 1984 (Cth) that:

(1) are expressly specified in the Policy as a person or type of person to which the benefit of cover is extended or as "Third Party Beneficiaries"; or

(2) are listed in the Schedule as "Third Party Beneficiaries",

unless otherwise excluded, but only to the extent of their interest specified. See "Third Party Interests" clause for information on the rights and obligations of third party beneficiaries.

Uninsured Working Expenses

means all purchases (less any discounts received), discounts allowed, bad debts, carriage, packing and freight, and other uninsured working expense(s) specified in the Schedule.

Total Loss

means where property is Damaged beyond economical repair.

Vehicle or Vehicles

means any motor propelled machinery of every kind and description, motor vehicles, trailers, caravans, boats, motor cycles, motorised homes, 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.

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.

We, Us, Our

means the Insurer acting through its agent SURA Motor Dealers acting under a binder.

You, Your, Yourself, Insured(s)

means the Named Insured and any person, company or legal entity shown on the Schedule as the Insured.

Section 1A – Industrial Special Risks – Property Damage

The following only apply to the extent relevant and subject to applicable law which may restrict Our rights in certain circumstances. For more detail on these restrictions see "When We Can Refuse to Pay or Reduce the Amount We Pay Under a Claim".

The Cover

We will cover You for Damage to the Insured Property happening at the Premises in the Period of Insurance.

Definitions

The following definitions apply to Sections 1A and 1B:

Adjustments

means, 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.

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.

Gross Income

means any 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 includes:

(1) Customer's Vehicles, subject to the Limit of Liability stated in the Schedule against "Customer's Vehicles".

(2) Vehicles financed under Your Dealer Floor Plan Agreements (but We do not cover Damage recovered or recoverable under the provisions of Your Dealer Floor Plan Agreement).

Landscaping

means lawns, gardens, ornamental plants, shrubs and trees.

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.

Open air

means open air. This includes area under hail nets or any structure that is not fully enclosed.

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 proportion that Payroll bears 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, including:

(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 theft of Vehicles, spare parts or Accessories whilst in, on or about 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.

Weather peril

means storm, tempest, wind, Hail, snow, ice, sleet, rainwater, water from or action of the sea, tsunami, tidal wave, high water, Flood, thunderstorm, thunder cell, super cell, bushfire, grass fire. It does not mean cyclone.

Basis of Settlement

The following sets out how We will calculate a payment for Damage to any Insured Property covered under this Section 1A:

(1) unless a more specific calculation method is set out below, on Buildings, machinery, plant and all other property and contents, including Landscaping, the cost of reinstatement, replacement or repair as set out in the "Claim calculation conditions" in this Section 1A.

(2) on raw materials, supplies and other merchandise not manufactured by You, the replacement cost at the time and the place of replacement or, if such property is not replaced, the market value of the property at the time and place of the Damage.

(3) on material in process of manufacture, the replacement value of the raw materials and the value of labour and other overhead charges expended to replace them at the time and the place of the Damage.

(4) on finished goods, the replacement value of the raw materials and the value of labour and other overhead charges expended to replace them, without any allowance for profit, or the cost of re-stocking those goods, whichever is the lesser.

(5) on computer systems, records, Documents, manuscripts, Securities, deeds, specifications, plans, drawings, designs, Business books and other records of every description, the cost of reinstating, replacing, reproducing or restoring the Insured Property, including information contained in or on them (but excluding the value to You of the information); or, if reinstating, replacing, reproducing or restoring is not reasonably required, the replacement cost of materials as blank stationery at the time and place of Damage.

(6) on patterns, models, moulds, dies or casts, the cost of repair or replacement.

(7) on Glass:

a) the cost of repairing or replacing broken Glass;

b) temporary shuttering or hiring of security service pending replacement of broken Glass;

c) replacement sign-writing and ornamentation on Glass;

d) replacement burglar alarm tapes on Glass;

e) removing and re-fixing of windows and show-case frames and fittings; and

f) replacement heat reflecting material or process on Glass.

(8) on empty Premises awaiting demolition, the Salvage Value of the building materials and landlord's fixtures and fittings.

(9) Damage to new Vehicles not insured under Your Dealer Floor Plan Agreements:

a) Total Loss – the replacement cost of the Vehicle, (including options, Accessories, tools and spare parts) or if not replaced, the Stock Card Value of the Vehicle, with no allowance for dealer margin or profit.

b) Partial Loss – the cost to repair the Vehicle (including options, Accessories, tools and spare parts). If You repair the Vehicle, We will pay labour costs based on Your recognised labour rates. If You supply the parts and Accessories the amount We will pay for such parts and Accessories will be the cost to You plus 15%.

(10) on new Vehicles subject to Your Dealer Floor Plan Agreements, the amount in excess of the amount recoverable under such agreement and any Improved Value at the time of the Damage, limited to Your equity in such Vehicles. This does not include any difference in Excesses under Your Dealer Floor Plan Agreements and this section.

(11) on spare parts and Accessories of Vehicles, the cost of repair or replacement provided that if the parts and or Accessories are supplied by You, the amount We will pay will be Your cost of parts and or Accessories plus 15%, plus the reasonable cost of fitting.

(12) Damage to used Vehicles not insured under Your Dealer Floor Plan agreements:

a) Total Loss – The sum of the actual price paid by You plus all direct expenditure subsequently incurred in the preparation and improvement of the Vehicle for resale (with no allowance for profit or other expenses) or Market Value, whichever is the lesser.

b) Partial Loss – The cost to repair the Vehicle (including options, Accessories, tools and spare parts). If You repair the Vehicle, We will pay labour costs based on Your recognised labour rates. If You supply the parts and Accessories the amount We will pay for such parts and Accessories will be the cost to You plus 15%.

(13) on used Vehicles subject to Your Dealer Floor Plan Agreements, the amount in excess of the amount recoverable under such agreement and any Improved Value at the time of the Damage, limited to Your equity in such Vehicles. This does not include any difference in Excesses under Your Dealer Floor Plan Agreements and this section.

(14) on spare parts and Accessories of used Vehicles, the cost of repair or replacement provided that if the parts and or Accessories are supplied by You, the amount We will pay will be Your cost of parts and or Accessories plus 15%, plus the reasonable cost of fitting.

(15) on leased Vehicles (residual value), on Vehicles under a lease agreement that are a Total Loss, the payout sum under the lease agreement, if it is greater than an amount that otherwise applies under this section. However, We will not pay more than the cost to repair or replace that Vehicle, plus 10% of that amount.

(16) on leased equipment, on machinery, plant and equipment (but not Vehicles) leased on a residual value basis that are a Total Loss, the current market amount or value of this equipment immediately prior to the Damage occurring.

(17) on Customer's Vehicles:

either of the following:

a) pay You the cost to repair or replace the Vehicle as far as circumstances permit and in a reasonably sufficient manner, to a condition equal to but not better or more extensive than its condition immediately prior to the Damage occurring; or

b) pay You the Market Value of the Vehicle.

Claim Calculation Conditions

Reinstatement or replacement

This condition applies to reinstatement or replacement of Buildings, machinery, plant and all other property, unless stated otherwise in this Section 1A.

We will pay the cost of reinstatement of Insured Property at the time of its reinstatement, subject to the Limit of Liability, based on the following:

(1) where property is lost or destroyed:

a) in the case of a Building, the rebuilding of it to a condition equal to, but not better or more extensive than, its condition when new; or

b) in the case of property other than a Building, the replacement of it by similar property of a condition equal to, but not better or more extensive than, its condition when new.

(2) where property is Damaged, the repair of the property to a condition substantially the same as, but not better or more extensive than, its condition when new.

(3) if We elect or become bound to reinstate or replace any property, You must, at Your own expense, produce and deliver to Us all plans, Documents and information as We may reasonably require. We will not be bound to reinstate exactly or completely, but only as circumstances permit and in a reasonably sufficient manner and will not in any case be bound to expend more than the Limit of Liability.

(4) You may, at Your option, rebuild or replace the Damaged or destroyed Building in a different shape or form. However, Our Limit of Liability will apply.

(5) You are not bound to actually rebuild any Building destroyed but may purchase an alternative existing Building to replace that which was destroyed. Such replacement is deemed to constitute rebuilding for the purpose of the cover under this section. However, We are not liable to make any payment beyond the cost that would have been incurred had the Building that was destroyed been rebuilt.

The following provisions apply to this condition (5):

a) the work of rebuilding, replacing, repairing or restoring as the case may be (which may be carried out upon any other site(s) and in any manner suitable to Your requirements, but subject to Our liability not being increased), must be commenced and carried out without unreasonable delay. If not, We will not be liable to make any payment greater than the Replacement Value of the Damaged property at the time of the happening of the Damage.

b) when any Insured Property to which this condition applies is Damaged in part only, our liability will be limited to the sum representing the cost to reinstate the property (in accordance with this condition).

c) We will only pay the amount actually incurred by You up to the cost of reinstatement had the Building been replaced.

Extra cost of reinstatement

This condition applies to reinstatement or replacement of Buildings, machinery, plant and all other property and contents, unless stated otherwise in this Section 1A.

We will pay the extra cost of reinstatement (including demolition or dismantling) of Damaged property necessarily incurred to comply with the requirements of any Act of Parliament or Regulation made under it or any By-Law or Regulation of any municipal or other statutory authority, subject to the Limit of Liability.

The following provisions apply to this condition:

(1) the work of reinstatement (which may be carried out wholly or partially upon any other site(s), if the requirements of the relevant Act, Regulation or By-Law require), must be commenced and carried out.

(2) the amount payable does not include the additional cost incurred in complying with any such Act, Regulation, By Law or requirement which You have been required to comply with prior to the happening of the Damage.

(3) the co-insurance condition does not apply to this condition.

Floor space ratio index (plot ratio)

If any Building is a Total Loss and, as a result of the exercise of statutory powers or authority by any government department, local government or any other statutory authority, reinstatement of that Building is only permissible subject to a reduced floor space ratio index, We agree to pay (in addition to any amount payable on reinstatement of that Building) the difference between:

(1) the actual cost of reinstatement incurred in accordance with the reduced floor space ratio index; and

(2) the cost of reinstatement which would have been incurred had a reduced floor space ratio index not been applicable.

In arriving at the amount payable under (1) and (2) above, any payments made by Us will include the extra cost of reinstatement, including demolishing or dismantling Your property that is necessarily incurred to comply with the requirements of any Act of Parliament or Regulation made under it or any By-Law or Regulation of any municipal or other statutory authority.

Any payment made for the difference between (1) and (2) above will be made as soon as the difference is ascertained upon completion of the rebuilding works and certified by the architect acting on Your behalf in the reinstatement of the Building.

Loss of Land Value

If a 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 immediately 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 maximum liability in respect of this Loss of Land Value benefit is limited to $500,000 per Period of Insurance.

The following provisions apply to this condition:

(1) Our payment will be made following the ruling of the local or government authority resulting in the claim for Loss of Land Value.

(2) if We have made a payment to You and subsequently the ruling of the 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.

Property exclusion (7) does not apply to this condition.

Excess

You must pay or bear any Excess that applies to a claim under this section for any Event. The Excesses that apply to this section will be set out in the Schedule.

For the purpose of the application of any Excess, Damage resulting from earthquake or Weather Peril occurring during each period of 72 consecutive hours is considered as one Event whether the earthquake or Weather Peril is continuous or sporadic in its sweep or scope and the Damage was due to the same seismological disturbance or Weather Peril. Each Event is deemed to have commenced on the first happening of any such Damage.

The relevant Limit of Liability we pay up to is less any applicable Excesses.

Limit of Liability

If a Limit of Liability is set out in the Schedule for any one item of Insured Property or type of Insured Property, that will be the maximum We will pay for Loss or Damage to that item or type of Insured Property for any Event in the Period of Insurance.

The maximum We will pay for any Event in the Period of Insurance is the Limit of Liability specified in the Schedule for this Section 1A.

Additional Benefits

The following additional benefits apply to this section. Unless stated otherwise, these additional benefits are included in Our Limit of Liability for Section 1A and not in addition to it.

Total Loss extension

At Your option, We will substitute the following as the method We will use to calculate the amount We will pay You for Damage to Your Vehicles that have travelled less than 10,000 kilometres at the date of Loss or Damage:

(1) if Your Vehicle had a Market Value of $50,000 or less at the date of the Loss and incurs 30% or more Damage, the Vehicle will be treated as a Total Loss.

(2) if Your Vehicle had a Market Value of between $50,001 and $100,000 at the date of the Loss and incurred 25% or more Damage, the Vehicle will be treated as a Total Loss.

(3) if Your Vehicle had a Market Value of $100,001 or more at the date of the Loss and incurred 20% or more Damage, the Vehicle will be treated as a Total Loss.

The additional benefit of Diminished Value Allowance (DVA) under Section 1B will not apply to Your Vehicles.

Professional fees

We will cover You for architects', surveyors', consulting engineers', legal and other fees and clerks of works' salaries for estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in reinstatement as a result of Damage to Insured Property that is covered by this section but not any costs, fees and salaries for preparing any claim under this section.

Government or authority fees

We will cover You for any fee, contribution or other impost payable to any government, local government or other statutory authority, where payment of such fees, contribution or impost is a condition precedent to the obtaining of consent to reinstate any Building for Loss or Damage covered under this section.

We will not pay for payment of any fines or penalties imposed upon You by such authorities.

Fire extinguishing costs

We will cover You for the costs and expenses necessarily and reasonably incurred in the Period of Insurance for the purpose of extinguishing fire at or in the vicinity of Insured Property or threatening to involve that property or for the purpose of preventing or diminishing imminent Damage to Insured Property covered by this section. This includes Damage to gain access and the cost of replenishment of fire fighting appliances and charges incurred for the purpose of shutting off the supply of water or other substance following accidental discharge from any fire protective equipment or otherwise escaping from intended confines.

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.

Clearance of drains

We will cover You for the costs of clearance of drains including expenses necessarily and reasonably incurred in the Period of Insurance in clearing or repairing drains, gutters, sewers and the like, at or in the vicinity of Insured Property, consequent upon Damage to Insured Property that is covered under this section.

Exploratory costs

We will cover You for the exploratory costs incurred in the Period of Insurance in locating the source of any Damage covered under this section.

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.

Optional Covers

If You have cover under this section, You can choose to add any of the following optional covers to Your Policy. The options that You have chosen to add to Your Policy will be set out in the Schedule.

These optional covers set out below are subject to the terms and conditions of this Policy, including the Limits of Liability, unless otherwise stated.

The following optional covers only apply to Section 1A. The Limit of Liability applies per Event.

Glass

This section is extended to cover Loss or Damage to Glass in the Period of Insurance caused by 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;

(3) replacement sign-writing and ornamentation on Glass;

(4) replacement burglar alarm tapes on Glass;
(5) removing and re-fixing of windows and show-case frames and fittings; and
(6) replacement heat reflecting material or process on Glass.

The most We will pay under this optional cover is the Limit of Liability set out in the Schedule for "Glass", per Event.

Accounts receivable

We will cover You for the loss sustained by You in respect of all outstanding debt balances if You are unable to effect collection of those amounts as a direct result of Damage in the Period of Insurance to records of accounts receivable as a result of an Event covered by this section.

We will also pay:
(1) interest charges at ruling bank rates on any loan You use to offset impaired collections pending repayment of such amounts rendered uncollectible as a consequence of the Damage;
(2) interest revenue lost by You as a consequence of the impaired collections;
(3) additional expenditure necessarily and reasonably incurred in tracing and establishing the amounts of accounts receivable; and
(4) collection of expenses in excess of normal collection costs, incurred as a consequence of the Damage.

If You cannot accurately establish the total amount of accounts receivable outstanding at the date of Damage, such amount shall be calculated as follows:
(1) determine the total amount of accounts receivable outstanding on the last working day of the fiscal month which ended 12 months before the beginning of the month in which the Damage occurs.
(2) calculate the average increase or decrease in the monthly total amounts of accounts receivable outstanding on the last working day of each of the 12 months immediately preceding the month in which Damage occurs.
(3) the amount determined under paragraph (1), increased or decreased by the percentage calculated in accordance with paragraph (2) will be deemed to be the total amount of accounts receivable outstanding at the time and date of the Damage.
(4) the amount determined under paragraph (3) will be adjusted as may be necessary to provide for any demonstrable variance from the amount so determined occurring before but during the month in which the Damage occurs, due consideration also being given to normal monthly trends in receipts.

We will not pay for the following:
(1) the amount of any accounts evidenced by records not Damaged, or otherwise established or collected by You; or
(2) an amount based on any doubtful debts incurred in prior 12 months.

It is a condition of cover under this benefit that computer records are backed up at least weekly and a copy of the relevant back up is kept at a different premises to the computer.

The most We will pay under this optional cover is the Limit of Liability set out in the Schedule for "Accounts Receivable".

Removal of Debris

We will cover You for costs and expenses necessarily and reasonably incurred in the Period of Insurance in respect of:

(1) the removal, storage or disposal of Debris or the demolition, dismantling, shoring up, propping, underpinning or other temporary repairs as a result of Damage to Insured Property that is covered by this section. This benefit does not extend to any cost or expense that You may incur as a consequence of Pollution of any kind.

(2) Your liability for the removal, storage or disposal of Debris, and cleaning costs, in relation to premises, roadways, services, railway or waterways of others, provided that the liability was not assumed by You under an agreement entered into after the commencement of the Period of Insurance (unless liability would have attached in the absence of such agreement). This benefit does not extend to any liability that You may incur as a consequence of Pollution of any kind.

(3) the demolition and removal of any Insured Property which is no longer useful for the purpose it was intended, providing such demolition and removal is necessary for the purpose of the reinstatement or replacement of Insured Property covered under this section.

The most We will pay under this optional cover is the Limit of Liability set out in the Schedule for "Removal of Debris".

Director's or Employee's Property

We will cover You for the replacement cost of the following property used in connection with 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 Damage; and

(2) tools of trade belonging to Your directors or Employees away from the Premises at the time of the Damage.

The most we will pay under this optional cover is the Limit of Liability set out in the Schedule for "Directors and Employees Property on Premises".

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 penalty rates incurred working in connection with the repair or reinstatement of Insured Property that is covered by this section.

The most We will pay under this optional cover is the Limit of Liability set out in the Schedule for "Express Carriage Rates and Extra Payments".

Costs and expenses of enquiries

We will cover You for the costs and expenses incurred by You in respect of any legal liability to make enquiries consequent upon Damage insured by this section.

The most We will pay under this optional cover is the Limit of Liability set out in the Schedule for "Costs and Expenses of Enquiry".

Boiler and Pressure Plant Explosion

This section is extended to cover Damage to boiler or Pressure Plant caused by its own Explosion or collapse in the Period of Insurance.

This optional cover does not cover Damage caused by or constituting the following defects in any boiler or Pressure Plant:

(1) wearing away or wasting of the material of the boiler or Pressure Plant whether by leakage, corrosion or by the action of the fuel or otherwise;

(2) slowly developing deformation or distortion of any part of the boiler or Pressure Plant;

(3) cracks, fractures, blisters, laminations, flaws or grooving even when accompanied by leakage or Damage to tubes, headers or other parts of the boiler or Pressure Plant caused by over-heating or leakage at seams, tubes or other parts of the boiler or Pressure Plant; or

(4) failure of joints.

However, Explosion or collapse arising from any such defects is not excluded.

For the purposes of this optional cover, the terms boiler and Pressure Plant include any connected super-heaters, economisers, mountings, fittings, valves and steam piping.

This optional cover does not apply to:

(1) Damage arising during the application of a hydraulic test of the boiler or Pressure Plant and occasioned by it; or

(2) if at the time of Explosion or collapse:

a) the load on the safety valve or safety valves upon the particular item of the boiler and Pressure Plant was in excess of that permitted by the latest certificate issued in accordance with boiler inspection regulations applicable to it;

b) any safety valve limiting the pressure had been removed or was inoperative; or

c) where certificates of inspection are issued by a government department and the particular item of boiler or Pressure Plant was not certified.

Property exclusion (16) and Perils exclusions (2)(c) and (2)(e) do not apply to this optional cover.

The most We will pay under this optional cover is the Limit of Liability set out in the Schedule for "Boiler and Pressure Plant Explosion".

Fusion

This section is extended to cover Damage to any part or parts of the electrical, electromechanical machines, switchboards, installations or apparatus forming part of the Insured Property (excluding rectifiers radio, television, amplifying or electronic equipment of any description) caused by the actual burning out of such part or parts by electric current in them in the Period of Insurance.

This optional cover does not apply to:

(1) Loss of use, depreciation, wear and tear; or

(2) Damage to:

a) lighting or heating elements, fuses or protective devices; or

b) electrical contacts at which sparking or arcing occurs in ordinary working.

Property exclusion (16) and Perils exclusions (2)(c) and (2)(e) do not apply to this optional cover.

The most We will pay under this optional cover is the Limit of Liability set out in the Schedule for "Fusion".

Conditions

The following conditions apply to Section 1A:

Co-insurance

if:

(1) at the time of the claim, the declared value of Your Insured Property was less than 85% of the actual value of Your Insured Property; and

(2) at the commencement of the Period of Insurance, the declared value of Your Insured Property was insured for less than 85% of the actual value of Your Insured Property,

then We will pay the same proportion of the Loss which Your declared value of Your Insured Property bears to 85% of the actual value of Your Insured Property.

The following sets out the operation of this clause:

$$\text{Claim payment} = \text{Claim amount} \times \frac{\text{Declared value of Your Insured Property}}{\text{85\% of the actual value of Your Insured Property}}$$

This condition does not apply if the relevant claim does not exceed 5% of the amount of the declared value of Your Insured Property.

The conditions on page 55 also apply to cover under Sections 1A. Other Conditions also apply under the Policy terms. See for example, "General Conditions Applying to All Sections".

Exclusions

See "Exclusions" on pages 55 and 64 – 66 for exclusions applying to cover under Sections 1A and 1B. Other exclusions also apply under the Policy terms. See for example, "General Exclusions".

Section 1B – Industrial Special Risks – Consequential Loss

The following only apply to the extent relevant and subject to applicable law which may restrict Our rights in certain circumstances. For more detail on these restrictions see "When We Can Refuse to Pay or Reduce the Amount We Pay Under a Claim".

Eligibility Criteria

You must take out cover under Section 1A of the Policy in order to be eligible for any cover under this Section 1B of the Policy.

The Cover

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 1A We will cover You for the types of loss set out in this Section 1A resulting from such interruption or interference with the Business carried on by You, as a consequence of that Damage.

What We Cover

The following sets out the types of losses covered and how We will calculate a payment that We make to You under this Section 1B:

Gross Profit

We will pay for Your loss of Gross Profit due to:

(1) reduction in Turnover; and

(2) increase in cost of working.

The amount payable is:

(1) 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 shall, in consequence of the Damage, fall short of the Standard Turnover.

(2) in respect of increase in cost of working:

a) the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which, 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 avoided;

b) less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the Damage.

However, if at the time of the claim, the declared value of Your Gross Profit was less than 85% of the actual value of Gross Profit at the commencement of the Period of Insurance, then We will pay the same proportion of the loss which Your declaration of the Gross Profit bears to 85% of the actual Gross Profit.

The following sets out the operation of this clause:

$$\text{Claim payment} = \text{Claim amount} \times \frac{\text{Gross Profit declared}}{\text{85\% of the actual Gross Profit}}$$

This condition does not apply if the relevant claim does not exceed 5% of the amount of Your declaration of Gross Profit.

If the Schedule sets out that cover is limited to parts and service activities only, the amount We will pay for loss of Gross Profit under this condition is the Gross Profit calculated based only on amounts (less discounts, if any) paid or payable to You for goods sold and delivered and for services rendered, other than for the sale of Vehicles, in the course of the Business at the Premises.

If the Business is conducted in departments the independent trading results of which are ascertainable, these provisions apply separately to each department affected by the Damage.

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 specified in the Schedule after that, 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 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 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 that 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 Payroll had such expenditure not been incurred.

However, if at the time of the claim, the declared value of Your Payroll was less than 85% of the actual value of Payroll at the commencement of the Period of Insurance, then we will pay the same proportion of the Loss which Your declaration of the Payroll bears to 85% of the actual Payroll.

The following sets out the operation of this clause:

$$\text{Claim payment} = \text{Claim amount} \times \frac{\text{Payroll declared}}{\text{85\% of the actual Payroll}}$$

This condition does not apply if the relevant claim does not exceed 5% of the amount of Your declaration of Payroll.

If the Schedule sets out that cover is limited to parts and service activities only, the amount We will pay for loss of Gross Profit under this condition is the Gross Profit calculated based only on amounts (less discounts, if any) paid or payable to You for goods sold and delivered and for services rendered, other than for the sale of Vehicles, in the course of the Business at the Premises.

If the Business is conducted in departments the independent trading results of which are ascertainable, these provisions apply separately to each department affected by the Damage.

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 Increased Cost of Working".

Excess

You must pay or bear any Excess that applies to a claim under this section for any Event. The Excesses that apply to this section will be set out in the Schedule.

For the purpose of the application of any Excess, Damage resulting from earthquake or Weather Peril occurring during each period of 72 consecutive hours is considered as one Event whether the earthquake or Weather Peril is continuous or sporadic in its sweep or scope and the Damage was due to the same seismological disturbance or Weather Peril Each Event is deemed to have commenced on the first happening of any such Damage.

If You don't pay the Excess(es) to Us or as We direct, We may deduct the Excess(es) from the amount We pay in relation any claim. The relevant Limit of Liability We pay up to is less any applicable Excess(es).

Limit of Liability

The maximum We will pay for any Event in the Period of Insurance is the Limit of Liability specified in the Schedule for this Section 1B.

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 for Section 1B and not in addition to it.

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 1B.

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

Prevention of access

Any Loss resulting from interruption of or interference with the Business as a consequence of Damage to property:

(1) in the vicinity of the Premises which prevents or hinders 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 1B; or

(2) in the vicinity 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 1B.

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

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:

Term	Modified meaning
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).
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.
Standard Turnover	The proportional equivalent, for a period equal to the Indemnity Period, of the Turnover realised during the period between the commencement of the Business and the date of the Damage.
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.

Turnover/Output alternative

At Your option, the term Output can be substituted for the term Turnover in Section 1B.

Output means the sale value of goods manufactured or processed by You in course of the Business at the Premises. If You choose this substitution, the clause "Turnover elsewhere after damage" (see "Conditions" on page 63) 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.

Diminished Value Allowance (DVA)

At Your option, We will substitute the following as the method We will use to calculate the amount We will pay You under "Gross Profit" in connection with Loss or Damage to Your Vehicles that are stock and not a Total Loss:

(1) New Vehicles

a) if the Selling Price is $60,000 or greater:
   i. if Damage is $800 or less, then allow cost of repairs as DVA.
   ii. if Damage is greater than $800 but not exceeding $5,000, then allow $3,000 as DVA.
   iii. if Damage exceeds $5,000, then allow cost of repairs as DVA but limited to $10,000.

b) if the Selling Price is $40,000 or greater but less than $60,000:
   i. if Damage is $800 or less, then allow cost of repairs as DVA.
   ii. if Damage is greater than $800, then allow DVA of $2,000.

c) if the Selling Price is $30,000 or greater but less than $40,000:
   i. if Damage is $800 or less, then allow cost of repairs as DVA.
   ii. if Damage is greater than $800, then allow DVA of $1,500.

d) if the Selling Price is less than $30,000:
   i. if Damage is $800 or less, then allow cost of repairs as DVA.
   ii. if Damage is greater than $800, then allow DVA of $1,200.

(2) Used Vehicles

a) if the Selling Price is greater than $25,000:
   i. allow $2,000 as DVA or the cost of repairs whichever is the lesser.
b) if the Selling Price is greater than $12,500 but less than $25,000:
   i. allow $1,500 as DVA or the cost of repairs whichever is the lesser.
c) if the Selling Price is $12,500 or less:
   i. allow nil DVA, unless still covered by the manufacturer's warranty then allow cost of repairs as DVA or $1,200 whichever is the lesser.

Advertising costs

We will also pay the reasonable advertising costs incurred by You to facilitate the sale of Your Vehicles, up to a maximum of $250 for each Vehicle.

This cover applies in addition to the Limit of Liability for this Section 1B.

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 undersea 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 1B.

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

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

Optional Covers

If You have cover under this section, You can choose to add any of the following optional covers to Your Policy. The options that You have chosen to add to Your Policy will be set out in the Schedule.

These optional covers set out below are subject to the terms and conditions of this Policy, including the Limits of Liability, unless otherwise stated.

Rent receivable

Under this option, We will cover You for loss of rent receivable (including amounts due for services rendered and recoverable expenses that are directly related to collecting such rent) resulting from such interruption or interference covered by this Section 1B.

The amount We will pay You under this optional cover is the amount by which rent (including amounts for services rendered and recoverable expenses that are directly related to collecting such rent) received or receivable during the Indemnity Period falls short of the amount which it may be reasonably estimated would have been received during that period had the Damage not occurred.

We will also pay the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of rent (including amounts for services rendered and recoverable expenses that are directly related to collecting such rent), less any sum saved during that period in respect of the charges or expenses payable out of rent as may cease or be reduced as a consequence of the Damage.

The most We will pay under this optional cover is the Limit of Liability set out in the Schedule for "Rent Receivable".

Claim preparation costs

We will cover You for the professional fees payable by You to Your financial advisers (including fees of any accountant, loss adjuster or valuer appointed by You), and such other expenses necessarily incurred by You and not otherwise recoverable, for preparation of claims and proving the amount of any Loss under this section.

The most We will pay under this optional cover is the Limit of Liability set out in the Schedule for "Claims Preparation Costs".

Customer's premises

Any Loss resulting from interruption to or interference with the Business as a consequence of Damage to Your customer's premises (or in the vicinity of such premises, which prevents or hinders 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 1B.

This optional cover only applies to Damage that would have been covered under Section 1(A) (other than under the additional benefits or optional covers) if such Damage had been to Insured Property under that section.

The most We will pay under this optional cover is the Limit of Liability set out in the Schedule for "Customer's Premises".

Supplier's premises

Any Loss resulting from interruption of or interference with the Business as a consequence of Damage to a supplier's premises described in the Schedule is deemed to be Loss resulting from Damage to Insured Property at the Premises for the purpose of this Section 1).

This optional cover only applies to Damage that would have been covered under Section 1(A) (other than under the additional benefits or optional covers) if such Damage had been to Insured Property under that section.

The most We will pay under this optional cover is the Limit of Liability set out in the Schedule for "Supplier's Premises".

Conditions

The following conditions apply to Section 1B.

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.

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 postponed by reason of the Turnover being temporarily maintained from accumulated stocks of finished goods.

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, be produced and certified by Your auditors or accountants. An auditors' or accountants' certificate will be evidence of the particulars and details to which such certificate relates.

Salvage sale

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

(1) 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.

The conditions on pages 57 and 68 – 70 also apply to cover under Sections 1A and 1B.

Other conditions also apply under the Policy terms. See for example, "General Conditions Applying to All Sections".

Exclusions

The exclusions set out below apply to cover under Sections 1A and 1B.

Property exclusions

We do not cover any loss or Damage to:

(1) property whilst in transit other than during the incidental movement of property within the Premises. This exclusion does not apply during temporary removal of Insured Property (other than stock or merchandise and Vehicles) to any premises in Australia;

(2) Money;

(3) jewellery, furs, bullion, precious metals or precious stones, other than any of these that are stock of the Business;

(4) 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;

(5) 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 taxiing, take off, flight or landing;

(6) any Vehicles or Customer's Vehicles or other property owned by Your customers other than whilst in or on the Premises, other than to the extent cover is specifically provided under these sections;

(7) land, provided that this exclusion does not apply to:

a) structural improvements on or in the land if those structural improvements are not otherwise excluded in this Policy; or

b) Section 1A Claim Calculation Conditions – Loss of Land Value.

(8) bridges, canals, tunnels, railway tracks (other than on the Premises), dams and reservoirs (other than tanks) and their contents;

(9) docks, wharves and piers not forming part of any Building;

(10) mining property located beneath the surface of the ground unless otherwise expressly stated in this Policy;

(11) property during the course of, and as a result of, its processing or modification;

(12) property, other than Customer's Vehicles, 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 where Damage is caused by wind, rainwater or Hail;

(13) Vehicles, other than Customer's Vehicles, in the Open Air where Damage is caused by Hail;

(14) property under construction, erection, alteration or addition when the value of work to be completed at any one Premises at the time of the loss or Damage exceeds 10% of the Limit of Liability for this section 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;

(15) empty premises undergoing demolition; or

(16) any equipment where such loss or Damage is caused by a breakdown of the equipment. This exclusion will not apply to Section 1A Optional Covers for Boiler and Pressure Plant Explosion or Fusion.

Perils exclusions

We do not cover loss or Damage caused by, resulting or arising from, or as a consequence of;

(1) a) Flood; or

b) water from or action by the sea, tidal wave or high water.

However, exclusions (1) do not apply if the loss or Damage is caused by or arises out of an earthquake or seismological disturbance.

(2) a) 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, 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);

b) wear and tear, fading, gradual deterioration or developing flaws, normal upkeep or making good;

c) error or omission in design, plan or specification or failure of design; This exclusion will not apply to Section 1A Optional Covers for Boiler and Pressure Plant Explosion or Fusion.

d) normal settling, seepage, shrinkage or expansion in Buildings or foundations, walls, pavements, Roads and other structural improvements, creeping, heaving and vibration; or

e) faulty materials or faulty workmanship. This exclusion will not apply to Section 1A Optional Covers for Boiler and Pressure Plant Explosion or Fusion.

However, perils exclusions (1) and (2) above do not apply to subsequent Damage to the Insured Property occasioned by a peril (not otherwise excluded) resulting from any peril referred to in those exclusions.

(3) a) incorrect siting of Buildings consequent upon:

i. error in architectural design or specification;

ii. faulty workmanship; or

iii. non-compliance by You (or anyone acting on Your behalf) with the necessary permits issued by government, public or local authorities;

b) demolitions ordered by government or public or local authorities due to failure on Your part or Your agents to obtain the necessary permits required;

c) Theft;

d) 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;

e) 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.

f) the following:

i. 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;

ii. access by any person, other than You or Your Employees, to Your computer system via data communication media that terminate in Your computer;

iii. 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;

iv. erosion, subsidence, earth movement or collapse resulting from them; or

v. kidnapping, bomb threat, threat of contamination, hoax, extortion or any attempt of these.

However, peril exclusion (3)(f) does not apply to subsequent Damage to the Insured Property occasioned by a peril (not otherwise excluded) resulting from any peril referred to in this exclusion.

Claims exclusions

We do not cover:

(1) legal liability of whatsoever nature; 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, except to the extent covered specifically under Section 1B.

Other exclusions also apply under the Policy terms. See for example, "General Exclusions".

Conditions

The following conditions apply to Sections 1A and 1B:

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.

Hazardous goods

the storage of Hazardous Goods usual to Your trade or occupation is allowed.

Our 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 appropriate for legal or safety reasons) where the loss or Damage has happened and may take possession of or require to be delivered to Us any of the Damaged Insured Property and may keep possession of and deal with such Damaged property for all reasonable purposes and in any reasonable manner.

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.

Automatic reinstatement

when We pay a claim under Section 1A or 1B (or any other benefit or cover included in these sections), the Limit of Liability will be automatically reinstated if You agree to pay Us the additional Premium that We require.

However, nothing in this clause will increase the Limit of Liability for any one claim, Event or Occurrence.

Progress payments

progress payments on account of any claims may be made to You at such intervals and for such amounts as is agreed. Any progress payments will be deducted from total amount payable for any claim.

Subrogation waiver

We agree to waive any rights and remedies or relief to which We may become entitled by way of subrogation against:

(1) any corporation or organisation (including its directors, officers, Employees or servants) owned or controlled by You, any of Your Subsidiaries or any co-owner of the relevant Insured Property;

(2) Your directors, officers, Employees or servants; or

(3) any government, semi-government, municipal or other statutory authorities or owners and lessors of premises but only where You have waived Your rights or remedies against such parties or agreed to hold such parties harmless in any contract You have with them.

Adjustment of Premium

(1) the Premium shown is provisional and is calculated on the declared values of:

   a) Insured Property; and

   b) Gross Profit and Payroll,

   on the day of commencement of the Period of Insurance.

(2) You must declare to Us in writing within 30 days after the expiry of the Period of Insurance:

   a) the value of Insured Property on the day of expiry of the Period of Insurance. For the purpose of this declaration, stock-in-trade and merchandise are taken at its average value during the Period of Insurance.

   b) the amount of the Gross Profit earned and Payroll paid in the course of the Business during the accounting period of 12 months most nearly concurrent with the Period of Insurance.

(3) the Premium will be adjusted by payment to Us of an additional Premium or by allowance to You of a return Premium, as the case may be, calculated at the agreed rate on 50% of the difference between property declared in accordance with clauses (1)(a) and (2)(a) and the full agreed rate on the difference between the amounts declared under clauses (1)(b) and (2)(b).

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 the Australian standards current at time of the inception of the Policy.

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 to the sprinkler installations, We will decide (not to be unreasonably withheld) 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 decide to cancel Your Policy, subject to the Cancellation clause, We will provide You with 3 business days prior notice.

Other conditions also apply under the Policy terms. See for example, "General Conditions Applying to All Sections".

Section 2 – Crime

The following only apply to the extent relevant and subject to applicable law which may restrict Our rights in certain circumstances. For more detail on these restrictions see "When We Can Refuse to Pay or Reduce the Amount We Pay Under a Claim".

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.

Definitions

The following definitions apply to Section 2:

Act of Fraud or Dishonesty

means Employee Dishonesty (arising directly or indirectly from any one Employee or any number of employees in collusion) in respect of the one Event.

Employee Dishonesty

means the unlawful taking of property or Money by an Employee while working for You in connection with the Business (whether acting alone or in collusion with others) with the intent to:

(1) cause loss to You; or

(2) benefit any person or organisation other than You.

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 includes:

(1) Customer's Vehicles, subject to the Limit of Liability stated in the Schedule against Customer's Vehicles.

(2) Vehicles financed under Your Dealer Floor Plan Agreements (but we do not cover Damage recovered or recoverable under the provisions of Your Dealer Floor Plan Agreement).

Landscaping

means lawns, gardens, ornamental plants, shrubs and trees.

Open Air

means open air. This includes area under hail nets or any structure that is not fully enclosed.

Theft

means theft or attempted theft of Insured Property, including:

(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 theft of Vehicles, spare parts or Accessories whilst in, on or about the Premises.

2(A) Theft

We will cover You for Theft of Insured Property in the Period of Insurance.

We will also pay for the reasonable and necessary costs that are incurred for:

(1) replacing locks or keys or combinations, including locks and keys of Vehicles or the cost of opening safes or strongrooms where, if because of Theft covered by this Section 2(A) the keys or combinations are stolen, or if there are reasonable grounds to believe the keys may have been duplicated; and

(2) replacing and developing security film where it is exposed because of Theft covered by this Section 2(A).

Additional Benefits

The following additional benefits apply to this section. Unless stated otherwise, these additional benefits are included in Our Limit of Liability and not in addition to it.

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 Theft; and

(2) tools of trade belonging to Your directors or Employees away from the Premises at the time of the Theft.

The most We will pay under this additional benefit is the Limit of Liability set out in the Schedule for "Directors or Employees Property".

Total Loss extension

At Your option, We will substitute the following as the method We will use to calculate the amount We will pay You for Theft of Your Vehicles in the Period of Insurance that have travelled less than 10,000 kilometres at the date of Loss or Damage:

(1) if Your Vehicle had a Market Value of $50,000 or less at the date of the Loss and incurs 30% or more Damage, the Vehicle will be treated as a Total Loss.

(2) if Your Vehicle had a Market Value of between $50,001 and $100,000 at the date of the Loss and incurred 25% or more Damage, the Vehicle will be treated as a Total Loss.

(3) if Your Vehicle had a Market Value of $100,001 or more at the date of the Loss and incurred 20% or more Damage, the Vehicle will be treated as a Total Loss.

The optional cover of Diminished Value Allowance (DVA) under this section will not apply to Your Vehicles if You select this option.

Optional Covers

If You have cover under Section 2(A), You can choose to add any of the following optional covers to Your Policy. The options that You have chosen to add to Your Policy will be set out in the Schedule.

These optional covers set out below are subject to the terms and conditions of this Policy, including the Limits of Liability, unless otherwise stated.

Diminished Value Allowance (DVA)

We will pay You the following as a DVA following Theft of Your Vehicles in the Period of Insurance that are Stock and not a Total Loss:

(1) New Vehicles

a) if the Selling Price is $60,000 or greater:
   i. if Damage is $800 or less, then allow cost of repairs as DVA.
   ii. if Damage is greater than $800 but not exceeding $5,000, then allow $3,000 as DVA.
   iii. if Damage exceeds $5,000, then allow cost of repairs as DVA but limited to $10,000.

b) if the Selling Price is $40,000 or greater but less than $60,000:
   i. if Damage is $800 or less, then allow cost of repairs as DVA.
   ii. if Damage is greater than $800, then allow DVA of $2,000.

c) if the Selling Price is $30,000 or greater but less than $40,000:
   i. if Damage is $800 or less, then allow cost of repairs as DVA.
   ii. if Damage is greater than $800, then allow DVA of $1,500.

d) if the Selling Price is less than $30,000:
   i. if Damage is $800 or less, then allow cost of repairs as DVA.
   ii. if Damage is greater than $800, then allow DVA of $1,200.

(2) Used Vehicles

a) if the Selling Price is greater than $25,000:
   i. allow $2,000 as DVA or the cost of repairs whichever is the lesser.

b) if the Selling Price is greater than $12,500 but less than $25,000:
   i. allow $1,500 as DVA or the cost of repairs whichever is the lesser.

c) if the Selling Price is $12,500 or less:
   i. allow nil DVA, unless still covered by the manufacturer's warranty then allow cost of repairs as DVA or $1,200 whichever is the lesser.

The most We will pay under this optional cover is the Limit of Liability set out in the Schedule for "Diminished Value Allowance" per Event.

Advertising costs

We will also pay the reasonable advertising costs incurred by You to facilitate the sale of Your Vehicles, up to a maximum of $250 for each Vehicle.

The most We will pay under this optional cover is the Limit of Liability set out in the Schedule for "Advertising costs".

Claim preparation costs

We will cover You for the reasonable professional fees payable by You to Your financial advisers (including fees of any accountant, loss adjuster or valuer appointed by You), and such other reasonable expenses necessarily incurred by You and not otherwise recoverable, for preparation of claims and proving the amount of any loss covered under this section.

The most We will pay under this optional cover is the Limit of Liability set out in the Schedule for "Claims Preparation Costs".

2(B) Money

We will cover You for Theft of Money in the Period of Insurance in the following circumstances:

(1) Money in transit to or from the Premises whilst in Your personal custody or the custody of persons that You have authorised;

(2) Money whilst contained in a night safe of any bank at which You normally transact Business;

(3) Money contained in the Premises:

   a) during business hours; or

   b) outside business hours but only whilst kept in a locked safe; or

(4) Money in Your custody or the custody of persons that You have authorised while contained in the private residence of that person.

2(C) Employee Dishonesty

We will cover You for Theft of Money or goods belonging to You or for which You are responsible, caused by an Act of Fraud or 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 Theft of goods directly with their owner.

Under this Section 2(C), We will also pay for:

(1) the fees payable by You to Your auditors to quantify any Loss covered by this Section 2(C); and

(2) other costs, charges and expenses reasonably and necessarily incurred by You in connection with the preparation of a claim covered by this Section 2(C).

The following conditions apply to this Section 2(C):

(1) this Section 2(C) 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 You are able to provide evidence to prove to Us 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 Section 2(C) 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 Section 2(C) 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, or make such other necessary accounting changes as are approved beforehand in writing by Your auditors. Cover under this option Section 2(C) 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 Section 2(C). 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.

(7) in the event of the Discovery by You of any Loss or Damage involving a suspected Act of 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 instructed by Us to the contrary.

Basis of Settlement

The following sets out how We will calculate a payment for Damage to any Insured Property covered under Section 2(A):

(1) unless a more specific calculation method is set out below, on Buildings, machinery, plant and all other property and contents, including Landscaping, the cost of reinstatement, replacement or repair as set out in the "Claim calculation conditions" in this Section 2.

(2) on raw materials, supplies and other merchandise not manufactured by You, the replacement cost at the time and the place of replacement or, if such property is not replaced, the market value of the property at the time and place of the Damage.

(3) on material in process of manufacture, the Replacement Value of the raw materials and the value of labour and other overhead charges expended to replace them at the time and the place of the Damage.

(4) on finished goods, the Replacement Value of the raw materials and the value of labour and other overhead charges expended to replace them, without any allowance for profit, or the cost of re-stocking those goods, whichever is the lesser.

(5) on computer systems, records, Documents, manuscripts, Securities, deeds, specifications, plans, drawings, designs, Business books and other records of every description, the cost of reinstating, replacing, reproducing or restoring the Insured Property or, if reinstating, replacing, reproducing or restoring is not reasonably required, the replacement cost of materials as blank stationery at the time and place of Damage.

(6) on patterns, models, moulds, dies or casts, the cost of repair or replacement.

(7) on Glass:

a) the cost of repairing or replacing Damaged Glass;

b) temporary shuttering or hiring of security service pending replacement of Damaged Glass;

c) replacement sign-writing and ornamentation on Glass;

d) replacement burglar alarm tapes on Glass;

e) removing and re-fixing of windows and show-case frames and fittings; and

f) replacement heat reflecting material or process on Glass.

(8) on empty Premises awaiting demolition, the Salvage Value of the building materials and landlord's fixtures and fittings.

(9) for Damage to new Vehicles not insured under Your Dealer Floor Plan Agreements:

a) Total Loss – the replacement cost of the Vehicle, (including options, Accessories, tools and spare parts) or if not replaced, the Stock Card Value of the Vehicle, with no allowance for dealer margin or profit.

b) Partial Loss – the cost to repair the Vehicle (including options, Accessories, tools and spare parts). If You repair the Vehicle, We will pay labour costs based on Your recognised labour rates. If You supply the parts and Accessories the amount We will pay for such parts and Accessories will be the cost to You plus 15%.

(10) on new Vehicles subject to Your Dealer Floor Plan Agreements, the amount in excess of the amount recoverable under such agreement and any Improved Value at the time of the Damage, limited to Your equity in such Vehicles. This does not include any difference in Excesses under Your Dealer Floor Plan Agreements and this section.

(11) on spare parts and Accessories of Vehicles, the cost of repair or replacement provided that if the parts and or Accessories are supplied by You, the amount We will pay will be Your cost of parts and or Accessories plus 15%, plus the reasonable cost of fitting.

(12) for Damage to used Vehicles not insured under Your Dealer Floor Plan Agreements:

a) Total Loss – the sum of the actual price paid by You plus all direct expenditure subsequently incurred in the preparation and improvement of the Vehicle for resale (with no allowance for profit or other expenses) or Market Value, whichever is the lesser.

b) Partial Loss – the cost to repair the Vehicle (including options, Accessories, tools and spare parts). If You repair the Vehicle, We will pay labour costs based on Your recognised labour rates. If You supply the parts and Accessories the amount We will pay for such parts and Accessories will be the cost to You plus 15%.

(13) on used Vehicles subject to Your Dealer Floor Plan Agreements, the amount in excess of the amount recoverable under such agreement and any Improved Value at the time of the Damage, limited to Your equity in such Vehicles. This does not include any difference in Excesses under Your Dealer Floor Plan Agreements and this section.

(14) on leased Vehicles (residual value), on Vehicles under a lease agreement that are a Total Loss, the payout sum under the lease agreement, if it is greater than an amount that otherwise applies under this section.

However, We will not pay more than the amount that the cost to repair or replace that Vehicle, plus 10% of that amount.

(15) on spare parts and Accessories of used Vehicles, the cost of repair or replacement provided that if the parts and or Accessories are supplied by You, the amount We will pay will be Your cost of parts and or Accessories plus 15%, plus the reasonable cost of fitting.

(16) on leased equipment (residual value): on machinery, plant and equipment (but not Vehicles) leased on a residual value basis that are a Total Loss, the amount for which the lessee is contractually liable to the lessor, up to the sum represented by rent payable under the lease for the period commencing on the date of the Damage and ending on the retirement date, plus the current market value of the property immediately before its Loss or Damage or the residual value, whichever is the greater, less any Salvage Value.

(17) on Customer's Vehicles:

either of the following, at Our option:

a) pay You the reasonable cost to repair or replace the Vehicle as far as circumstances permit and in a reasonably sufficient manner, to a condition equal to but not better or more extensive than its condition immediately prior to the Damage occurring; or

b) pay You the Market Value of the Vehicle.

(18) on hail nets, textile canopies, awnings and blinds, reinstatement and Replacement Value for the first 24 months following installation as new. After this time, the reinstatement and Replacement Value less 10% for each subsequent 12 month period or part of that period.

Claim Calculation Conditions

Reinstatement or replacement

This condition applies to reinstatement or replacement of Buildings, machinery, plant and all other property, unless stated otherwise in this Section 2.

We will pay the cost of reinstatement of Insured Property at the time of its reinstatement, subject to the Limit of Liability, based on the following:

(1) where property is lost or destroyed:

a) in the case of a Building, the rebuilding of it to a condition equal to, but not better or more extensive than, its condition when new; or

b) in the case of property other than a Building, the replacement of it by similar property of a condition equal to, but not better or more extensive than, its condition when new.

(2) where property is Damaged, the repair of the property to a condition substantially the same as, but not better or more extensive than, its condition when new.

(3) if We elect or become bound to reinstate or replace any property, You must, at Your own expense, produce and deliver to Us all plans, Documents and information as We may reasonably require. We will not be bound to reinstate exactly or completely, but only as circumstances permit and in reasonably sufficient manner and will not in any case be bound to expend more than the Limit of Liability.

(4) You may, at Your option, rebuild or replace the Damaged or destroyed Building in a different shape or form.

However, our Limit of Liability will apply.

(5) You are not bound to actually rebuild any Building destroyed but may purchase an alternative existing building to replace that which was destroyed. Such replacement is deemed to constitute reinstatement for the purpose of the cover under this section. However, we are not liable to make any payment beyond the cost that would have been incurred had the Building that was destroyed been rebuilt.

The following provisions apply to this condition (5):

a) the work of rebuilding, replacing, repairing or restoring as the case may be (which may be carried out upon any other site(s) and in any manner suitable to Your requirements, but subject to our liability not being increased), must be commenced and carried out with reasonable dispatch. If not, we will not be liable to make any payment greater than the Replacement Value of the damaged property at the time of the happening of the Damage.

b) when any Insured Property to which this condition applies is damaged in part only, our liability will be limited to the sum representing the cost to reinstate the property (in accordance with this condition) as if it had been wholly destroyed.

c) no payment beyond the amount which would have been payable under this Policy will be made by Us until a sum equal to the cost of reinstatement has been actually incurred. However, where You reinstate or replace any lost or destroyed property at a cost which is less than the cost of reinstatement (as defined in this condition) but greater than the value of such property at the time of Damage, then the cost so incurred will be deemed to be the cost of reinstatement.

d) all other industrial special risks or fire and named perils insurance covering the property effected by You or on Your behalf must be on a similar reinstatement basis.

Extra cost of reinstatement

This condition applies to reinstatement or replacement of Buildings, machinery, plant and all other property and contents, unless stated otherwise in this Section 2.

We will pay the extra cost of reinstatement (including demolition or dismantling) of damaged property necessarily incurred to comply with the requirements of any Act of Parliament or Regulation made under it or any By-Law or Regulation of any municipal or other statutory authority, subject to the Limit of Liability.

The following provisions apply to this condition:

(1) the work of reinstatement (which may be carried out wholly or partially upon any other site(s), if the requirements of the relevant Act, Regulation or By-Law require), must be commenced and carried out with reasonable dispatch, failing which we shall not be liable to make any payment beyond the amount which would have been payable under this Policy without reference to this condition.

(2) the amount payable does not include the additional cost incurred in complying with any such Act, Regulation, By Law or requirement which You have been required to comply with prior to the happening of the Damage.

(3) co-insurance does not apply to this condition.

(4) all other industrial special risks or fire and named perils insurances covering the property effected by or on Your behalf must be on a similar basis.

(5) if the cost of reinstatement of the Damage under this condition is less than 50% of that which would have been the cost of reinstatement of the Insured Property if such property had been totally destroyed, the amount payable under this condition is limited to the extra cost of reinstatement necessarily incurred in reinstating only that damaged portion.

Floor space ratio index (plot ratio)

If any Building is a Total Loss and, as a result of the exercise of statutory powers or authority by any government department, local government or any other statutory authority, reinstatement of that Building is only permissible subject to a reduced floor space ratio index, We agree to pay (in addition to any amount payable on reinstatement of that building) the difference between:

(1) the actual cost of reinstatement incurred in accordance with the reduced floor space ratio index; and

(2) the cost of reinstatement which would have been incurred had a reduced floor space ratio index not been applicable.

In arriving at the amount payable under (1) and (2) above, any payments made by Us will include the extra cost of reinstatement, including demolishing or dismantling Your property that is necessarily incurred to comply with the requirements of any Act of Parliament or Regulation made under it or any By-Law or Regulation of any municipal or other statutory authority.

Any payment made for the difference between (1) and (2) above will be made as soon as the difference is ascertained upon completion of the rebuilding works and certified by the architect acting on Your behalf in the reinstatement of the Building.

Excess

You must pay or bear any excess that applies to a claim under this section for any Event. The Excess(es) that apply to the different covers chosen by You in this section will be set out in the Schedule.

If You don't pay the Excess(es) to Us or as We direct, We may deduct the Excess(es) from the amount We pay in relation any claim. The relevant Limit of Liability We pay up to is less any applicable Excess(es).

Limit of Liability

The most we will pay under:

(1) Section 2(A) is the Limit of Liability per Event as set out in the Schedule for theft and any optional cover selected;

(2) Section 2(B) is the Limit of Liability per Event as set out in the Schedule for money;

(3) Section 2(C) is the Limit of Liability per Event as set out in the Schedule for Employee Dishonesty in respect of any one and all events caused by the Acts of Fraud or Dishonesty of Employees, notwithstanding these acts may have been committed during more than one Period of Insurance.

Exclusions

The exclusions set out below apply to cover under Section 2:

Theft exclusions

under Section 2(A), 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;

(6) of any Vehicles by use of the Vehicle's own key unless such keys were obtained by entry to a securely locked safe, strongroom or key cabinet and these keys were obtained by the use of force or violence.

Money exclusions

under this Section 2(B), we do not cover loss of or Damage to Money:

(1) stolen from an unlocked and unattended Vehicle;

(2) stolen from a safe or strongroom that has been opened by a key or by the use of details of a combination that has either been left at the Premises outside Business hours, unless such key or combination details have been properly secured;

(3) where the Damage is not discovered within 5 working days of the Event; or

(4) where the Damage arises out of:

a) kidnapping;

b) bomb threat;

c) hoax;

d) extortion; or

e) any attempt at the above.

Employee Dishonesty exclusions

under this Section 2(C), we do not cover:

(1) loss arising from any Act of Fraud or Dishonesty committed more than 12 months prior to the date of receipt by Us of notice of such Loss or Damage;

(2) loss arising after You have the knowledge of any Act of Fraud or Dishonesty on the part of an Employee, however, this exclusion will not apply to Loss of Money or property other than being conveyed by such Employee outside the Premises;

(3) consequential loss or legal liability of any kind; or

(4) loss or part of a loss which is evidenced solely as to its factual existence or as to the amount by an inventory computation or a profit and loss calculation.

Property exclusions

We do not cover any loss or Damage to:

(1) property whilst in transit other than during the incidental movement of property within the Premises. This exclusion does not apply other than during temporary removal of Insured Property (other than stock or merchandise and Vehicles) to any premises in Australia;

(2) Money, although this exclusion does not apply to Section 2(B);

(3) jewellery, furs, bullion, precious metals or precious stones, other than any of these that are stock of the Business;

(4) 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;

(5) 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 taxiing, take off, flight or landing;

(6) any vehicles or customer's vehicles or other property owned by Your customers other than whilst in or on the Premises, other than to the extent cover is specifically provided under this section;

(7) land, other than structural improvements on or in the land if those structural improvements are not otherwise excluded in this Policy;

(8) bridges, canals, tunnels, railway tracks (other than on the Premises), dams and reservoirs (other than tanks) and their contents;

(9) docks, wharves and piers not forming part of any building;

(10) mining property located beneath the surface of the ground unless otherwise expressly stated in this Policy;

(11) property during the course of, and as a result of, its processing or modification;

(12) property, other than customer's Vehicles, 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;

(13) 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 for this section 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; or

(14) empty premises undergoing demolition.

Perils exclusions

We do not cover Theft, loss or Damage caused by, resulting or arising from, or as a consequence of:

(1) 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;

(2) the following:

i. except as expressly provided in Section 2(C), Act of Fraud or Dishonesty, fraudulent misappropriation, embezzlement, forgery, involving the Insured Property by You or any of Your Employees acting alone or in collusion with any other person;

ii. 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;

iii. erosion, subsidence, earth movement or collapse resulting from them; or

iv. kidnapping, bomb threat, threat of contamination, hoax, extortion or any attempt of these.

However, peril exclusion (2) does not apply to subsequent damage to the Insured Property occasioned by a peril (not otherwise excluded) resulting from any peril referred to in this exclusion.

Claims exclusions

We do not cover:

(1) Consequential loss, other than to the extent covered specifically under this section.

Other exclusions also apply under the Policy terms. See for example, "General Exclusions".

Conditions

The following conditions apply to Section 2:

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.

Our 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 appropriate for legal or safety reasons) where the loss or Damage has happened and may take possession of or require to be delivered to Us any of the Damaged Insured Property and may keep possession of and deal with such Damaged property for all reasonable purposes and in any reasonable manner.

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.

Automatic reinstatement

when we pay a claim under Section 2, the applicable Limit of Liability will be automatically reinstated if You pay Us the additional Premium that we require.

However, nothing in this clause will increase the Limit of Liability for any one claim, or occurrence.

Progress payments

progress payments on account of any claims may be made to You at such intervals and for such amounts as is agreed. Any progress payments will be deducted from total amount payable for any claim.

Subrogation waiver

We agree to waive any rights and remedies or relief to which We may become entitled by way of subrogation against:

(1) any corporation or organisation (including its directors, officers, employees or servants) owned or controlled by You, any of Your subsidiaries or any co-owner of the relevant Insured Property;

(2) Your directors, officers, Employees or servants; or

(3) any government, semi-government, municipal or other statutory authorities or owners and lessors of premises but only where You have waived Your rights or remedies against such parties or agreed to hold such parties harmless in any contract You have with them.

Adjustment of Premium

(1) the Premium shown is provisional and is calculated on the declared value of the Insured Property on the day of commencement of the Period of Insurance.

(2) You must declare to Us in writing within 30 days after the expiry of the Period of Insurance the value of Insured Property on the day of expiry of the Period of Insurance. For the purpose of this declaration, stock-in-trade and merchandise are taken at its average value during the Period of Insurance.

(3) the Premium will be adjusted by payment to Us of an additional Premium or by allowance to You of a return Premium, as the case may be, calculated at the agreed rate on 50% of the difference between property declared in accordance with clauses (1) and (2).

Other conditions also apply under the Policy terms. See for example, “General Conditions Applying to All Sections”.

Section 3 – Hail Damage To Vehicles

The following only apply to the extent relevant and subject to applicable law which may restrict Our rights in certain circumstances. For more detail on these restrictions see "When We Can Refuse to Pay or Reduce the Amount We Pay Under a Claim".

The Cover

We will cover You for Damage to Your Vehicles caused by Hail at the Premises in the Period of Insurance.

Definitions

The following definitions apply to this section:

First Loss Basis

means when We insure Your Vehicles for a value less than the Wholesale Market Value and the First Loss Limit of Liability is set out in the Schedule.

Improved Value

means the amount expended by You in preparing a Vehicle for sale including repair costs and the cost of replacement parts and Accessories.

Wholesale Market Value

means the amount which another motor dealer would pay for Your Vehicle if it purchased Your Vehicle from You.

Your Vehicles

means any motor Vehicles, trailers, 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, repair, garaging or servicing or any other purpose in the course of the Business.

Your Vehicles do not include caravans or Customer's Vehicles.

Basis of Settlement

The following sets out how We will calculate a payment for Damage to any Vehicle covered under this section:

(1) unless a more specific calculation method is set out below, the cost of the repair or replacement of the Vehicle.

(2) Loss of or Damage to new Vehicles in respect of which Loss or Damage not insured under Your Dealer Floor Plan Agreements:

   a) Total Loss – the replacement cost of the Vehicle, (including options, Accessories, tools and spare parts) or if not replaced, the Stock Card Value of the Vehicle, with no allowance for dealer margin or profit.

b) Partial Loss – the cost to repair the Vehicle (including options, Accessories, tools and spare parts). If You repair the vehicle, We will pay labour costs based on Your recognised labour rates. If You supply the parts and Accessories the amount, We will pay for such parts and Accessories will be the cost to You plus 15%.

(3) on New Vehicles subject to Your Dealer Floor Plan Agreements, the amount in excess of the amount recoverable under such agreement and any Improved Value at the time of the Damage, limited to Your equity in such Vehicles. This does not include any difference in Excesses under Your Dealer Floor Plan Agreements and this section.

(4) on spare parts and Accessories of new Vehicles, the cost of repair or replacement provided that if the parts and or Accessories are supplied by You, the amount We will pay shall be Your cost of parts and Accessories plus 15%, plus the reasonable cost of fitting.

(5) Loss or Damage to used Vehicles in respect of which Loss or Damage not insured under Your Dealer Floor Plan Agreements:

a) Total Loss – the sum of the actual price paid by You plus all direct expenditure subsequently incurred in the preparation and improvement of the Vehicle for resale (with no allowance for profit or other expenses) or Market Value, whichever is the lesser.

b) Partial Loss – the cost to repair the Vehicle (including options, Accessories, tools and spare parts). If You repair the Vehicle, We will pay labour costs based on Your recognised labour rates. If You supply the parts and Accessories the amount, We will pay for such parts and Accessories will be the cost to You plus 15%.

(6) on used Vehicles subject to Your Dealer Floor Plan Agreements, the amount in excess of the amount recoverable under such agreement and any Improved Value at the time of the Damage, limited to Your equity in such Vehicles. This does not include any difference in Excesses under Your Dealer Floor Plan Agreements and this section.

(7) on spare parts and Accessories of used Vehicles, the cost of repair or replacement provided that if the parts and or Accessories are supplied by You, the amount We will pay shall be Your cost of parts and or Accessories, plus 15%, plus the reasonable cost of fitting.

(8) on leased Vehicles (residual value), on Vehicles under a lease agreement that is a Total Loss, the payout sum under the lease agreement, if it is greater than an amount that otherwise applies under this section.

However, We will not pay more than the cost to repair or replace that Vehicle, plus 10% of that amount.

Excess

You must pay or bear any Excess that applies to each Vehicle and for each Event covered by this section. The Excesses that apply will be set out in the Schedule.

If You don't pay the Excess(es) to Us or as We direct, We may deduct the Excess(es) from the amount We pay in relation any claim. The relevant Limit of Liability We pay up to is less any applicable Excess(es).

Limit of Liability

The maximum We will pay for any Damage to any one Vehicle that is not a Total Loss is:

(1) if You do not repair that Vehicle, Your Stock Card Value; and

(2) 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 in the Period of Insurance is the Limit of Liability specified in the Schedule.

Additional Benefits

The following additional benefits apply to this section. Unless stated otherwise, these additional benefits are included in our Limit of Liability for Section 3 and not in addition to it.

Diminished Value Allowance (DVA)

We will pay You the following for Damage to Your Vehicles caused by Hail that are stock and not a Total Loss at the Premises in the Period of Insurance:

(1) New Vehicles

a) if the Selling Price is $60,000 or greater:
   i. if Damage is $800 or less, then allow cost of repairs as DVA.
   ii. if Damage is greater than $800 but not exceeding $5,000, then allow $3,000 as DVA.
   iii. if Damage exceeds $5,000, then allow cost of repairs as DVA but limited to $10,000.

b) if the Selling Price is $40,000 or greater but less than $60,000:
   i. if Damage is $800 or less, then allow cost of repairs as DVA.
   ii. if Damage is greater than $800, then allow DVA of $2,000.

c) if the Selling Price is $30,000 or greater but less than $40,000:
   i. if Damage is $800 or less, then allow cost of repairs as DVA.
   ii. if Damage is greater than $800, then allow DVA of $1,500.

d) if the Selling Price is less than $30,000:
   i. If Damage is $800 or less, then allow cost of repairs as DVA.
   ii. If Damage is greater than $800, then allow DVA of $1,200.

(2) Used Vehicles

a) if the Selling Price is greater than $25,000:
   i. allow $2,000 as DVA or the cost of repairs whichever is the lesser.

b) if the Selling Price is greater than $12,500 but less than $25,000:
   i. allow $1,500 as DVA or the cost of repairs whichever is the lesser.

c) if the Selling Price is $12,500 or less:
   i. allow nil DVA, unless still covered by the manufacturer's warranty then allow cost of repairs as DVA or $1,200 whichever is the lesser.

Total Loss extension

At Your option, We will substitute the following as the method We will use to calculate the amount We will pay You for Damage to Your Vehicles that are stock and have travelled less than 10,000 kilometres at the date of Loss or Damage:

(1) if Your Vehicle had a Market Value of $50,000 or less at the date of the Loss and incurs 30% or more Damage, the Vehicle will be treated as a Total Loss.

(2) if Your Vehicle had a Market Value of between $50,001 and $100,000 at the date of the Loss and incurred 25% or more Damage, the Vehicle will be treated as a Total Loss.

(3) if Your Vehicle had a Market Value of $100,001 or more at the date of the Loss and incurred 20% or more Damage, the Vehicle will be treated as a Total Loss.

The Diminished value allowance (DVA) additional benefit will not apply to Your Vehicle if You select this option.

Advertising costs

We will pay the reasonable advertising costs incurred by You to facilitate the sale of Your Vehicles, up to a maximum of $250 for each Vehicle.

This additional benefit applies in addition to the Limit of Liability for this Section 3.

Exclusions

We will not be liable under this section for the following:

(1) Damage caused by or traceable to Your wilful act or wilful neglect.

(2) any indirect or consequential loss, other than specifically covered under this Section 3.

(3) legal liability of any kind or description.

(4) Damage caused to Your Vehicles other than by Hail.

Other exclusions also apply under the Policy terms. See for example, "General Exclusions".

Conditions

The following conditions apply to this section:

One Event for Hail

Any one Event or series of Events within a 72 hour period will be classified as a single Event except where otherwise designated by the Australian Bureau of Meteorology as separate events.

Exclusion period

We will not cover You under this section for Damage caused by Hail within the first 48 hours from of the time when You first take out, or increase the level of Your cover, under this section.

This 48 hour exclusion period will not apply:

(1) to renewals; or

(2) if You have had continuous Hail cover for Your Vehicles with Us or another insurer when You first take out cover under this section.

Co-Insurance

If at the time of claim Your Vehicles were insured for less than 80% of their Wholesale Market Value, then We will pay the same proportion of the Loss which Your declaration of the Wholesale Market Value bears to 80% of the Wholesale Market Value of Your Vehicles at the commencement of the Period of Insurance.

The following sets out the operation of this clause:

$$\text{Claim payment} = \text{Claim amount} \times \frac{\text{Wholesale Market Value declared}}{\text{80\% of the actual Wholesale Market Value}}$$

This condition does not apply if:

(1) the relevant claim does not exceed 5% of the amount of Your declaration of the Wholesale Market Value of Your Vehicles; or

(2) Your Policy has been issued on a First Loss Basis by Us.

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.

Automatic reinstatement

When We pay a claim under this section, the Limit of Liability will be automatically reinstated if You pay Us the additional Premium that We require.

However, nothing in this clause will increase the Limit of Liability for any one claim, Event or Occurrence.

Progress payments

Progress payments on account of any claims may be made to You at such intervals and for such amounts as is agreed. Any progress payments will be deducted from total amount payable for any claim.

Other conditions also apply under the Policy terms. See for example, “General Conditions Applying to All Sections”.

Section 4 – Commercial Motor Composite

The following only apply to the extent relevant and subject to applicable law which may restrict Our rights in certain circumstances. For more detail on these restrictions see "When We Can Refuse to Pay or Reduce the Amount We Pay Under a Claim".

The Cover

Damage to Your Vehicle

We will cover You for Damage to Your Vehicle:

(1) whilst being used for the Purpose of Use; and

(2) caused by an Accident during the Period of Insurance.

Legal liability

We will cover You for Your legal liability to pay compensation in respect of:

(1) Damage to property; or

(2) death or bodily injury,

to any other person which happens during the Period of Insurance arising out of:

a) the use of Your Vehicle for the Purpose of Use;

b) goods falling or leaking from Your Vehicle;

c) the operation of loading or unloading Your Vehicle, but not the collection or delivery of the load to or from Your Vehicle beyond the limits of any Road; or

d) Your Vehicle being used as a Tool of Trade.

We will also pay Your reasonable legal costs and expenses incurred with Our written consent to defend any claim made against You that is covered by this section.

Definitions

The following definitions apply to this section:

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 the 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.

Tool of Trade

means the use or operation of a Vehicle or equipment, tool or apparatus which forms part of the Vehicle, but only while engaged in or undertaking its designated purpose of digging, scraping, shovelling, grading, boring, drilling, compacting, harvesting, ploughing, shredding, lifting, clearing, levelling, hosing, pumping, spraying, vacuuming or suction activities.

Tool of Trade does not include any Vehicle whilst travelling to or from a worksite or Vehicles that are used to carry goods to or from any premises.

You and Your

means the Named Insured and Insured. For any cover for legal liability the term is extended in this section to cover any directors, officers or Employees of the Named Insured or passengers in Your Vehicle (as Third Party Beneficiaries).

Your Vehicle

means any motor propelled machinery of every kind and description, motor vehicle, trailers, caravans, boats, motor cycles, motorised homes, whether registered or unregistered, belonging to or being purchased, financed or otherwise acquired by the Named Insured or Insured or left in the Named Insured's or Insured's custody for sale, repair, garaging or servicing or for any other purpose in the course of the Named Insured's or Insured's Business.

Your Vehicle includes:

(1) Accessories (including fire fighting equipment) providing they are in or on the Vehicle; and

(2) standard tools supplied by the Vehicle manufacturer or similar substitutes for them.

Your Vehicle does not include any Vehicle that is privately or personally owned and not left in the Named Insured's or Insured's custody for sale, repair, garaging or servicing or for any other purpose in the course of the Named Insured's or Insured's Business.

Basis of Settlement

Damage to Your Vehicle

(1) Damage to new Vehicles not insured under Your Dealer Floor Plan Agreements:

a) Total Loss – the replacement cost of the Vehicle, (including options, Accessories, tools and spare parts) or if not replaced, the Stock Card Value of the Vehicle, with no allowance for dealer margin or profit.

b) Partial Loss – the cost to repair the Vehicle (including options, Accessories, tools and spare parts). If You repair the Vehicle, We will pay labour costs based on Your recognised labour rates. If You supply the parts and Accessories, the amount We will pay for such parts and Accessories will be the cost to You plus 15%.

(2) On new Vehicles subject to Your Dealer Floor Plan Agreements, the amount in excess of the amount recoverable under such agreement and any Improved Value at the time of the Damage, limited to Your equity in such Vehicles. This does not include any difference in Excess under Your Dealer Floor Plan Agreements and this section.

(3) Damage to used Vehicles not insured under Your Dealer Floor Plan Agreements:

a) Total Loss – the sum of the actual price paid by You plus all direct expenditure subsequently incurred in the preparation and improvement of the Vehicle for resale (with no allowance for profit or other expenses) or Market Value, whichever is the lesser.

b) Partial Loss – the cost to repair the Vehicle (including options, Accessories, tools and spare parts). If You repair the Vehicle, We will pay labour costs based on Your recognised labour rates. If You supply the parts and Accessories, the amount We will pay for such parts and Accessories will be the cost to You plus 15%.

(4) On used Vehicles subject to Your Dealer Floor Plan Agreements, the amount in excess of the amount recoverable under such agreement and any Improved Value at the time of the Damage, limited to Your equity in such Vehicles. This does not include any difference in Excess under Your Dealer Floor Plan Agreements and this section.

(5) On leased Vehicles (residual value), on Vehicles under a lease agreement that are a Total Loss, the payout sum under the lease agreement, if it is greater than an amount that otherwise applies under this section. However, We will not pay more than the cost to repair or replace that Vehicle, plus 10% of that amount.

(6) On Customers Vehicles:

Either of the following, at Our option:

a) pay You the cost to repair or replace the Vehicle as far as circumstances permit and in a reasonably sufficient manner, to a condition equal to but not better or more extensive than its condition immediately prior to the Damage occurring; or

b) pay You the Market Value of the Vehicle.

The cover on Your Vehicles ceases automatically if We pay a Total Loss claim for that Vehicle. There is no refund of unexpired premium for that Vehicle in these circumstances and the Vehicle becomes Our property.

Legal liability

We will pay the compensation You are legally liable to pay and any legal costs and other costs and expenses reasonably and necessarily incurred by Us, or with Our consent, to defend any legal liability claim covered under this section.

Excess

You must pay or bear any Excess that applies to a claim under this section. The Excesses that apply to this section will be set out in the Schedule.

There may be more than one Excess that applies depending on the circumstances of the claim and who is driving Your Vehicle at the time of the Accident or covered Event.

Generally, there are two types of Excess that will be set out in the Schedule:

(1) the standard Excess which applies to each claim You make in respect of Your Vehicle; and

(2) the age/experience Excess which applies if a driver is in the age bracket stated on the Schedule or an inexperienced driver (less than 24 years age or less than 2 years driving experience or the experience set out in the Schedule) was in charge of Your Vehicle at the time of an Accident.

However, other types of Excess may apply.

If You don't pay the Excess(es) to Us or as We direct, We may deduct the Excess(es) from the amount We pay in relation any claim. The relevant Limit of Liability We pay up to is less any applicable Excess(es).

Limit of Liability

The following limits apply:

Damage to Your Vehicle

the most We will pay for Damage to Your Vehicle is the amount shown on the Schedule or the Market Value of the Vehicle, whichever is the lesser.

Legal liability

the most We will pay for all claims arising from any one Event is the Limit of Liability set out in the Schedule.

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 Our Limit of Liability and not in addition to it.

Replacement Vehicle

If Your Vehicle is a Total Loss, or is stolen or lost (and is not recovered), as a result of an Accident that is covered under this section, and at the time of the Accident Your Vehicle was within one year of the commencement date of its original registration, We will at Your option replace it with a new Vehicle of the same make and model (subject to one being available locally) with similar Accessories and tools.

This additional benefit does not apply to Vehicles that are part of Your stock.

Towing and storage

If We accept a claim for Damage to Your Vehicle, We will pay for the necessary and reasonable costs of;

(1) towing or retrieval of Your Vehicle from the Accident site to the nearest repairer or place of safety if Your Vehicle cannot be driven; and

(2) storing Your Vehicle until it is repaired.

Dangerous Goods

We will cover You for Your legal liability:

(1) caused by the transport or storage of Dangerous Goods; and

(2) for costs incurred by or on behalf of a public authority in connection with the removal or cleaning up of a contained escape of Dangerous Goods,

but only when You are the lawful holder of a valid licence to transport Dangerous Goods and have complied in all respects with the law with respect to carriage of those goods and the terms and conditions of the licence.

The most We will pay, inclusive of legal costs incurred by You or payable by You in relation to any action by any public authority, arising from one Event is $1,000,000 unless a different Limit of Liability is shown on the Schedule.

Any legal costs incurred by You are only payable if they were incurred with Our prior written consent.

Cover for others

We will cover under this section, as if they were You, any person who is authorised to use Your Vehicle on Your behalf.

The following conditions apply to this additional benefit:

(1) You must satisfy Yourself that the person possesses a valid driver's licence appropriate for the Vehicle; and

(2) full details of the arrangement, including the driver's licence details of the person must be recorded and kept by You.

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; or

(3) any other trailer or drawn implement.

We will not pay for loss, Damage or liability to or caused:

(1) to property being carried in or on the trailer, drawn implement or sidecar;

(2) to tarpaulins, gates and binders;

(3) more than one trailer, drawn implement or sidecar being attached to Your Vehicle; or

(4) any Vehicle being towed by Your Vehicle.

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 section, We will pay those costs, up to $10,000 per Event.

We will not pay if the goods or debris are Dangerous Goods.

This additional benefit applies in addition to the Limit of Liability.

Towed Vehicle

We will pay any amount You are legally liable to pay to third parties a result of an Event in the Period of Insurance for loss of or Damage to property or personal injury 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.

The most we will pay for Damage to the vehicle being towed, carried or retrieved is $150,000 per Event.

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.

This additional benefit applies in addition to the Limit of Liability.

Diminished Value Allowance (DVA)

We will pay You the following for Your Vehicles that are Stock and not a Total Loss:

(1) New Vehicles

a) if the Selling Price is $60,000 or greater:
   i. if Damage is $800 or less, then allow cost of repairs as DVA.
   ii. if Damage is greater than $800 but not exceeding $5,000, then allow $3,000 as DVA.
   iii. if Damage exceeds $5,000, then allow cost of repairs as DVA but limited to $10,000.

b) If the Selling Price is $40,000 or greater but less than $60,000:
   i. if Damage is $800 or less, then allow cost of repairs as DVA.
   ii. if Damage is greater than $800, then allow DVA of $2,000.

c) If the Selling Price is $30,000 or greater but less than $40,000:
   i. if Damage is $800 or less, then allow cost of repairs as DVA.
   ii. if Damage is greater than $800, then allow DVA of $1,500.

d) if the Selling Price is less than $30,000:
   i. if Damage is $800 or less, then allow cost of repairs as DVA.
   ii. if Damage is greater than $800, then allow DVA of $1,200.

(2) Used Vehicles

a) if the Selling Price is greater than $25,000:
   i. allow $2,000 as DVA or the cost of repairs whichever is the lesser.

b) if the Selling Price is greater than $12,500 but less than $25,000:
   i. allow $1,500 as DVA or the cost of repairs whichever is the lesser.

c) if the Selling Price is $12,500 or less:
   i. allow nil DVA, unless still covered by the manufacturer's warranty then allow cost of repairs as DVA or $1,200 whichever is the lesser.

The most We will pay under this optional cover is the Limit of Liability set out in the Schedule for "Diminished Value Allowance".

Total Loss extension

At Your option, We will substitute the following as the method We will use to calculate the amount We will pay You for Damage to Your Vehicles that are stock and have travelled less than 10,000 kilometres at the date of Damage:

(1) if Your Vehicle had a Market Value of $50,000 or less at the date of the Accident and incurs 30% or more Damage, the Vehicle will be treated as a Total Loss.

(2) if Your Vehicle had a Market Value of between $50,001 and $100,000 at the date of the Accident and incurred 25% or more Damage, the Vehicle will be treated as a Total Loss.

(3) if Your Vehicle had a Market Value of $100,001 or more at the date of the Accident and incurred 20% or more Damage, the Vehicle will be treated as a Total Loss.

The Diminished Value Allowance (DVA) additional benefit will not apply to Your Vehicle if You select this option.

Loan Vehicles

If You have advised Us that it is Your practice to provide rental, hire, lease or loan Vehicles (with or without consideration) to customers, then We agree to cover such Vehicles on the following conditions;

(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 the driver's licence details of the borrower must be recorded in a register of hire and loan Vehicles kept by You; and

(3) an Australian Automobile Dealer Association or equivalent loan agreement document must be completed for the loan arrangement.

Testing, delivery and collection

We agree to insure as if they were You, any person who is driving Your Vehicle, for the purpose of being tested, demonstrated, or collected, on any Road or private road, thoroughfare or Your Premises.

The following conditions apply:

(1) You must satisfy Yourself that the borrower possesses a valid driver's licence appropriate for the Vehicle; and

(2) full details of the arrangement, including the driver's licence details of the borrower must be recorded and kept by You.

Unregistered Vehicles

We will cover You in respect of claims arising out of the unauthorised use by Your Employees of unregistered mobile lifting equipment or other mechanically propelled Vehicles on a Road in the Period of Insurance.

This additional benefit does not apply to cover for legal liability, other than Your liability for loss or Damage to the unregistered mobile lifting equipment or other mechanically propelled Vehicles.

Exclusions

We will not pay a claim:

(1) for any legal liability in respect of death or bodily injury to any person:

a) for which You have been, or are entitled to be, partially or wholly indemnified by any statutory compulsory insurance or accident compensation scheme, including any compulsory motor vehicle scheme; or

b) for which You would have been, or would have been entitled to be, partially or wholly indemnified, but for Your failure to insure or register Your vehicle in accordance with a requirement of any statutory compulsory insurance or accident compensation scheme, including any compulsory motor vehicle scheme.

(2) for Damage or legal liability incurred while Your Vehicle is being driven by or in the charge of any person (including You):

a) whose faculties are impaired by or who is under the influence of alcohol or drugs, or alcohol and drugs;

b) who is convicted of driving or being in charge of such Vehicle while under the influence of alcohol or drugs or alcohol and drugs; or

c) 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 Event which would otherwise give rise to a claim under this Policy occurred, as indicated by analysis of the person's breath or blood; or

d) who fails or refuses:

i. 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 of the exclusions in paragraphs (a), (b), (c) or (d) above do not apply if:

a) 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).

(3) for Damage caused by or contributed to, or legal liability arising:

a) as a result of Your Vehicle being used in a damaged, unsafe or unroadworthy condition;

b) as a result of Your own criminal act;

c) while Your Vehicle is being driven by any person (including You) who is not licensed to drive such a vehicle under all relevant laws, by-laws and regulations. However, this exclusion does not apply where You prove that the Vehicle was being driven without Your knowledge or consent (if that person was not You).

d) while Your Vehicle is used to carry a number of passengers or convey a load more than Your Vehicle's designed carrying capacity;

e) as a result of Your deliberate action(s); or

f) outside Australia except in transit by sea or air between places within Australia.

(4) for Your loss of use, depreciation, wear and tear, mechanical or electrical breakdowns, failures or breakages of Your Vehicle.

(5) for Damage to Your Vehicle's tyres by application of brakes or by punctures, bursts or road cuts.

(6) if Your Vehicle is being used for the conveyance of passengers for payment or reward other than under a private non- profitable pooling arrangement. However, this exclusion will not apply in instances when Your Vehicle is covered by this Policy as an ambulance, hire vehicle, taxi, or fare paying passenger omnibus.

(7) for theft of Your Vehicle:

a) by You;

b) by any person to whom Your Vehicle is on hire under any agreement for hire including an agreement for hire purchase or lease; or

c) by any person having a financial interest in or charge over such Vehicle.

(8) if Your Vehicle is being used for or being tested in preparation for racing, pace making, reliability trial, speed or hill climbing test, any other motor sport or any speed or performance test or trials.

(9) arising out of any liability assumed by express warranty, or arrangement, unless such liability would have attached notwithstanding such express warranty or agreement.

(10) for any Vehicle that is personally or privately owned and not left in Your custody for sale, repair, garaging or servicing or for any other purpose in the course of the Business.

Your Vehicle does not include:

(1) any radio, cassette, compact disc, digital versatile disc or other digital media playing or recording device or any speed surveillance detection apparatus or navigation apparatus which is not built into the Vehicle;

(2) any contents other than permanent fixtures or fittings;

(3) a trailer or sidecar (other than a trailer or sidecar given cover specifically under this section or described on the Schedule);

(4) any tarpaulins, gates or binders; or

(5) any stock Vehicle or Customer's Vehicle, whilst in, on or about Your Premises, except when being driven under a trade plate or as part of a test-drive.

Other exclusions also apply under the Policy terms. See for example, "General Exclusions".

Conditions

The following conditions apply to this section:

At the Accident/Event scene

What You must do

You should contact Us as soon as reasonably possible if You need to make a claim.

At all times, when You deal with Us You must act in accordance with Your duty of utmost good faith to Us under section 13 of the Insurance Contracts Act 1984 (Cth). This includes but is not limited to being honest and truthful. We also have this duty to You.

If You are aware of an event or circumstance which may give rise to a claim You must:

(1) take all reasonable steps to prevent any further loss, damage or liability from occurring;

(2) take all reasonable steps to keep and safeguard any damaged property, so if required, We can inspect it;

(3) as soon as reasonably possible, contact and report to the police (where possible) if there is serious Damage to property, including the vehicles involved, or if any person is injured;

(4) as soon as reasonably possible, send to us, any documents You receive which suggest there is, or may be, or relate to, a claim made against You under the liability cover of Your Policy. This may include letters, emails, notices, or court documents that refer to bringing action against You or seeking compensation for injury or damage;

(5) as soon as reasonably possible, send to us, any documents You receive which suggest there is, or may be, or relate to, a claim made against You under the liability cover of Your Policy. This may include letters, emails, notices, or court documents that refer to bringing action against You or seeking compensation for injury or damage;

(6) if requested by Us, supply Us with all relevant information and assistance We may reasonably require in relation to the claim. This includes relevant information and assistance that will allow Us to:

   a) consider whether the claim is covered under the Policy (including in relation to any precontractual disclosures or representation, other insurance that may cover the Event);

   b) settle the claim;

   c) defend You in relation to any claim; and

   d) seek any recoveries in relation to the claim.

What You must not do

You must not:

(1) authorise any repairs or arrange replacement of any property without Our consent or where not otherwise permitted by the Policy;

(2) admit liability for, or negotiate to settle, any claim against You (or any other person covered under Your Policy) without Our consent; or

(3) enter into any agreement with anyone else which could limit the amount that could be recovered from them but for that agreement;

unless this is necessary to protect the safety of a person or to preserve property or it is not reasonably possible for You not to do it.

After the Accident/Event

You must do the following after any covered Accident/ Event (where applicable, to the extent this is reasonably practicable and as soon as reasonably practicable):

(1) supply Us with relevant information in relation to Your claim we may reasonably require, including relating to any precontractual disclosures or representations.

(2) send any correspondence from other parties to Us, as well as any notice of impending prosecution or details of any inquest or official inquiry.

(3) protect and safeguard the Vehicle and retain any salvage.

(4) not authorise repairs (including windscreen or glass breakage) without Our prior written consent for any repairs greater than $1,000.

(5) do not take legal action without Our prior written consent (such consent not to be unreasonably withheld). Where We agree to cover a claim We may 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 and conditions, and subject to the exclusions, of the Policy

(6) provide Us with such reasonable assistance as We may reasonably require in relation to the claim.

Conduct of claims

(1) We have full discretion in the conduct, defence or settlement of any claim for legal liability against You. You shall give Us all relevant information and reasonable assistance as We may require in the prosecution, defence or settlement of any claim.

(2) Any communications from other parties in relation to the claim against You must be notified and sent to Us as soon as reasonably practicable. Any notice of impending prosecution or details of any inquest or official inquiry must be given to Us as soon as reasonably practicable.

(3) When You claim under this section, We may take over any right that You may otherwise have had against any person who may be held responsible. We may take any recovery action in Your name.

(4) You must make Your Vehicle available to Us at a reasonably agreed time and place for inspection or repair.

(5) We will in doing the above act reasonably having regard to Your interests, and will keep You informed if You ask Us to.

Other conditions also apply under the Policy terms. See for example, "General Conditions Applying to All Sections".

Section 5 – Broadform Public and Products Liability

The following only apply to the extent relevant and subject to applicable law which may restrict Our rights in certain circumstances. For more detail on these restrictions see "When We Can Refuse to Pay or Reduce the Amount We Pay under a Claim".

The Cover

We will cover You for all amounts which You become legally liable to pay as compensation for Personal Injury or Property Damage caused by an Occurrence happening during the Period of Insurance in connection with Your Business.

We will pay Your reasonable legal costs and expenses to defend any claim made against You during the Period of Insurance that are incurred with Our written consent which will not be unreasonably withheld. These costs and expenses are called Defence Costs.

Definitions

The following definitions apply to this section:

Employment Practices

means any wrongful or unfair dismissal, denial of natural justice, defamation, misleading representation or advertising, sexual harassment or discrimination directly related to employment by You.

Occurrence

means any event, including continuous or repeated exposure to substantially the same general conditions, which results in Personal Injury or Property Damage neither expected nor intended from Your standpoint, unless specifically excluded under the Policy. All Personal Injury or Property Damage attributable to one original source, or one original cause, shall be deemed to be one occurrence.

Property Damage

means:

(1) Damage to or destruction of tangible property including the loss of use of the property Damaged or destroyed; or

(2) loss of use of tangible property which has not been Damaged or destroyed provided such loss of use is caused by Damage to or Loss or destruction of other tangible property, during the Period of Insurance.

You and Your

means each of the following:

(1) the Named Insured and Insured;

(2) all Subsidiary companies of the Named Insured, whose place of incorporation is within the Commonwealth of Australia, carrying on the Business not covered by (1);

(3) any director, officer, Employee, partner or shareholder, work experience student, former Employee, consultant or volunteer of the Named Insured and Insured, but only whilst acting within the scope of their duties in such capacity;

(4) any principal in respect of the liability of such principal arising out of the performance by the Named Insured or the companies as designated in paragraph (2) above of any contract or agreement for the performance of work for such principal;

(5) any office bearer or member of social or sporting clubs formed with the consent of the Named Insured or the companies as designated in (2) above in respect of claims arising from duties of or connected with the activities of any such club.

Anyone listed in (2) – (5) are covered as Third Party Beneficiaries unless specified in the Schedule as Insureds.

Additional Benefits

The following additional benefits apply to this section. Unless stated otherwise, these additional benefits are included in Our Limit of Liability and not in addition to it.

Inquiry costs

We will pay the reasonable legal costs and expenses arising out of Your attendance at court or at any official investigation, examination, inquiry or other proceedings ordered or commissioned by any official body or institution in relation to an Occurrence covered by this section.

Expenses

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, incurred with Our prior written consent which will not be unreasonably withheld.

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) the cost of emergency first aid to other persons and for costs incurred with Our consent for temporary repairs, shoring up or protection of Damaged property of others.

Faulty workmanship

We will cover You for all amounts which You become legally liable to pay to rectify, perform, re-perform, complete, or improve any work during the Period of Insurance undertaken by You or on Your behalf in connection with Your Business.

The most We will pay under this additional benefit is $10,000 for any one claim and is $50,000 in the aggregate for all such claims in any one Period of Insurance, or as specified in the Policy Schedule, whichever is the greater amount.

Exclusion 10 of this section does not apply to this additional benefit.

Excess

You must pay any Excess that applies to a claim under this section. The Excesses that apply are set out in the Schedule and below.

For any claim that relates to Property Damage to any Vehicle not belonging to You but in Your physical or legal control whilst being driven or moved for the purpose of servicing, repairing, delivery or testing as part of the Business, You must pay or bear an additional Excess of $500, in addition to any other Excess that applies.

If You don't pay the Excess(es) to Us or as We direct, We may deduct the Excess(es) from the amount We pay in relation any claim. The relevant Limit of Liability We pay up to is less any applicable Excess(es).

Limits of Liability

The following limits apply:

Public liability

subject to any other limit set out in this section, We will pay up to the Limit of Liability for any one Occurrence.

Products liability

for claims arising out of a Product Hazard, We will pay up to the Limit of Liability for any one Occurrence and in the aggregate for all claims in any one Period of Insurance.

Defence Costs

We will pay for Defence Costs in addition to the Limit of Liability (except for a claim made in North America or in connection with an Occurrence in North America).

However, We will not pay any Defence Costs or defend any claim after the Limit of Liability has been exhausted.

If a payment exceeding the Limit of Liability is made to dispose of a claim, our liability for Defence Costs is limited to the proportion that Our liability to indemnify You under this section bears to that payment.

Exclusions

We will not cover any liability under this section directly or indirectly caused by, arising from or in connection with:

(1) Employer's Liability

a) Personal Injury to any Worker or Employee. However, if You are:

   i. required by law to insure or otherwise fund, whether through self-insurance, statutory fund or other statutory scheme, all or part of any common law liability (whether limited or not) for such Personal Injury; or

   ii. not required to so insure or otherwise fund such liability by reason only that the Personal Injury is to a person who is not a worker or Employee within the meaning of the relevant Workers' Compensation Law or the Personal Injury is not an injury which is subject to such law,

   then this section will respond to the extent that Your liability would not be covered under any such fund, scheme, policy of insurance or self-insurance arrangement had You complied with Your obligations pursuant to such law.

b) Liability imposed by:

   i. any Workers' Compensation Law;

   ii. the provisions of any industrial award or agreement or determination or any contract of employment or workplace agreement where such liability would not have been imposed in the absence of such industrial award or agreement or determination; or

   iii. any law relating to Employment Practices.

(2) Property in Custody or Control

Property Damage to:

a) property owned by, or leased or rented by, You; or

b) property in Your physical or legal control.

However, this exclusion does not apply to liability for Property Damage to:

i. premises which are leased or rented by You for the purpose of Your Business, and the liability does not arise from Your failure to insure the premises as required in the lease or rental agreement;

ii. Vehicles (not belonging to You or used by or on Your behalf) in Your physical or legal control where such Property Damage occurs whilst any such vehicle is in a car park owned or operated by You, other than a car park owner or operator for reward; or property which You do not own but is in Your physical or legal control (including whilst left stationary outside and in the immediate vicinity of the Premises), up to the Limit of Liability specified in the Schedule for goods in care custody or control.

(3) Imports

Personal Injury or Property Damage arising directly or indirectly out of Products imported by You and distributed or on-sold.

(4) Known Exports to North America

Personal Injury or Property Damage arising directly or indirectly from Products which to Your knowledge at the time of Your acceptance of this insurance or any subsequent renewal would be exported to North America.

(5) Pollution

a) Personal Injury or Property Damage arising directly or indirectly out of or caused by, through, or in connection with the discharge, dispersal, release or escape of Pollutants into or upon land, the atmosphere or water unless such discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended from Your standpoint and takes place in its entirety at a specific time and place;

b) the cost of preventing, removing, nullifying or cleaning up any contamination or Pollution as a consequence of the discharge, dispersal, release or escape of any Pollutants. However, this sub-paragraph (b) does not apply to removal, nullifying or cleaning up costs which are consequent upon a sudden, identifiable, unexpected and unintended happening which takes place in its entirety at a specific time and place; or

c) Personal Injury or Property Damage arising directly or indirectly out of or caused by, through or in connection with the actual, alleged or threatened discharge, dispersal, seepage, migration or escape of Pollutants caused by any of Your Products that has been discarded, dumped, abandoned or thrown away by others.

(6) Fines or Penalties

fines, penalties, liquidated damages, punitive, aggravated or exemplary damages whether imposed by statutes, regulations, or any court or tribunal of competent jurisdiction, or any other person, company or corporation.

(7) Contractual Liability

any liability which has been assumed by You under any contract or agreement that requires You to:

a) effect insurance over property, either real or personal; or

b) assume liability for Personal Injury or Property Damage regardless of fault.

This exclusion does not apply to:

i. liabilities which would have been implied by law in the absence of such contract or agreement;

ii. terms regarding merchantability, quality, fitness or care of Your Products which are implied by law or statute; or

iii. liabilities assumed under the contracts specifically designated in the Schedule.

(8) Warranties and Agreements

any liability assumed by express warranty or agreement unless such liability would have attached to You notwithstanding such express warranty or agreement. This exclusion does not apply to liabilities assumed under the contracts specifically designated in the Schedule.

(9) Erection and Alterations to Buildings

Personal Injury or Property Damage arising directly or indirectly out of or caused by or in connection with the erection, demolition of or alteration or addition to Buildings by You or on Your behalf where the completed value of such work exceeds $500,000.

(10) Faulty Workmanship

the cost of performing, completing, correcting or improving any work undertaken by You or on Your behalf. However, this exclusion does not apply in respect of Personal Injury or Property Damage:

i. resulting from faulty or defective workmanship; or

ii. the extent cover is provided under the Additional Benefit – Faulty workmanship of this section.

(11) Vibration and Removal of Support

Property Damage to any land or fixed property arising directly or indirectly from vibration or from the removal or weakening of or interference with support to land, Buildings or any other property.

(12) Aircraft and Watercraft

Personal Injury or Property Damage arising directly or indirectly out of or caused by, through, or in connection with:

a) the ownership, legal possession, legal control or use by You or the use on Your behalf of:

   i. any Aircraft or hovercraft; or

   ii. any Watercraft exceeding 8 metres in length; or

   iii. any water skiing and aquaplaning activities and use of jet skis while on or being used in the water.

b) the selling or manufacturing of Aircraft or the manufacture, assembly and/or supply of any products that are used with Your knowledge in Aircraft;

c) the leasing, hiring or chartering of Aircraft to or from You; or

d) the repair, service or maintenance of Aircraft or Aircraft products or the installation of any products into Aircraft unless such repair, service, maintenance or installation does not affect the flying capabilities or safety of the Aircraft and this Policy has been endorsed accordingly.

(13) Aircraft Landing Areas

Personal Injury or Property Damage arising directly or indirectly out of or caused by, through, or in connection with 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:

a) is required by law to be issued with a licence permitting regular public transport operations of Aircraft having a maximum passenger seating capacity of more than 30; or

b) has more than 1,000 flight movements per year.

(14) Loss of Use

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

a) delay in or lack of performance by You or on Your behalf of any contract or agreement; or

b) the failure of Your Products to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by You, however, this paragraph (b) 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.

(15) Product Guarantee

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.

(16) Product Recall

the withdrawal, inspection, repair, replacement 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 because of any known or suspected defect or deficiency therein.

(17) Vehicles

Personal Injury or Property Damage arising directly or indirectly out of or caused by, through, or in connection with the ownership, use, legal possession, or legal control by You of any Vehicle or any attachment to such Vehicle:

a) which is registered;

b) in respect of which registration or insurance is required under any legislation relating to Vehicles; or

c) in respect of which compulsory liability insurance or statutory indemnity is required under any legislation (whether or not insurance is effected).

We will not cover You for claims in respect of:

i. Personal Injury for which You or anyone else was required to have compulsory liability insurance or other insurance required by legislation relating to Vehicles;

ii. Personal Injury to any person (including Employees) using or operating the Vehicle;

iii. Personal Injury to any person (including Employees) who was in or on the Vehicle at the time of the Occurrence; or

iv. the liability of any person using or operating the Vehicle.

This exclusion does not apply to claims in respect of:

i. Personal Injury arising out of an Occurrence which is partially (to the extent of that part) or totally outside the indemnity afforded under such compulsory liability insurance or other legislation relating to Vehicles and where the reason the Occurrence is outside the indemnity afforded by compulsory liability insurance or statutory indemnity does not involve a breach by You of legislation relating to Vehicles or registration of them;

ii. Property Damage arising out of and during loading and unloading of goods to or from any Vehicle;

iii. Property Damage caused by 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;

iv. Property Damage caused by the use of any tool or plant forming part of or attached to or used in connection with any Vehicle other than when travelling to or from any work site or transporting or carting goods;

v. Property Damage to Vehicles, not belonging to You or used by You or on Your behalf, but in Your physical or legal control, either at the Premises or while being driven on a Road, for the purpose of servicing, repairing, testing or delivering as part of Your Business, subject to a maximum of $250,000 any one Occurrence or any higher Limit of Liability set out in the Schedule; or

vi. Personal Injury arising out of the unauthorised operation or use of any Vehicle belonging to You or in Your physical or legal control.

(18) Professional Duties

the rendering of or failure to render professional advice or service by You, or related error or omission.

However, this exclusion only applies where such professional advice or service is given for a fee.

(19) Geographical Limitations

a) Personal Injury or Property Damage for judgments delivered or obtained in North America;

b) Costs and expenses for any kind of litigation for judgements delivered or obtained in North America;

c) Personal Injury or Property Damage in connection with any business carried on by You at or from any premises situated outside the Commonwealth of Australia; or

d) any contract entered into by You under the terms of which work is to be performed outside the Commonwealth of Australia.

(20) Libel or Slander

liability arising out of the publication or utterance of a libel, slander, or defamation:

a) made prior to the Period of Insurance;

b) made at Your direction with the knowledge of its falsity; or

c) related to advertising, publishing, printing, broadcasting or telecasting activities conducted by You or on Your behalf.

(21) Defective Design, Known Defects

Personal Injury or Property Damage caused by, or arising out of:

a) any defective design or error in formula or in specification provided by You for a fee; or

b) any defect or deficiency in any of Your Products which defect, error or deficiency You have knowledge of or has reason to suspect at the time when Your Products pass from Your actual physical custody or any person under Your control.

(22) Asbestos

a) Personal Injury arising directly or indirectly, out of or caused by, through or in connection with the inhalation of (including the fear of inhalation of, or exposure to) Asbestos;

b) Property Damage, or loss of use or diminution in value of property, arising directly or indirectly, out of or caused by, through or in connection with Asbestos; or

c) the cost of cleaning up, removing, treating, controlling, storing or disposing of Asbestos or any other associated expenses.

(23) Tobacco Products

Personal Injury or Property Damage caused by or arising directly or indirectly out of:

a) the effects of cigarette or tobacco smoking allowed within the Premises; or

b) the sale, distribution or supply of cigarettes or tobacco products in the course of the Business.

Other exclusions also apply under the Policy terms. See for example, “General Exclusions”.

Section 6 – Equipment Breakdown

The following only apply to the extent relevant and subject to applicable law which may restrict Our rights in certain circumstances. For more detail on these restrictions see "When We Can Refuse to Pay or Reduce the Amount We Pay Under a Claim".

The Cover

We will cover You for Breakdown of Equipment which is in use or connected ready for use at Your Premises that happens during the Period of Insurance.

We will also cover You for Damage to any Insured Property directly Damaged by a Breakdown to Equipment covered under this section.

Definitions

The following definitions apply to this section:

Breakdown

means the Accidental physical damage to an item of Equipment or a part of it, which manifests itself at the time of its occurrence by physical 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 malfunctioning 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

means all Equipment of the type described below that is owned, leased, operated or controlled by You:

(1) any Pressure Plant;

(2) any mechanical or electrical machine or electrical apparatus used for the generation, transmission, transformation or utilisation of mechanical or electrical power; or

(3) 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 computing, data processing, duplicating, inventory control, monitoring, scanning, point of sale or office services; or

d) for starting, stopping, controlling or monitoring one or more insured items of Equipment.

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, personal digital assistant ("PDA") or removable satellite system; or

(11) any elevator, escalator, crane, hoist or conveyor other than:

a) any Pressure Plant, pump, compressor, fan, blower, engine or turbine connected to such machine or apparatus;

b) any separate enclosed gear set connected to such machine or apparatus by a coupling, clutch or belt;

c) any electrical equipment connected to such machine or apparatus; or

d) any electronic equipment used solely to start, stop, control or monitor such machine or apparatus.

Insured Property

Has the meaning that applies in Sections 1A and 1B.

Basis of Settlement

Equipment

For all Equipment, We will either:

(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 You 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 manufacturer's, or supplier's, 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.

Other Insured Property

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

For all other Insured Property covered under this section We will either repair or replace the Insured Property or pay You the cost to repair or replace the Insured Property.

Excess

The Excess that applies to this section is set out in the Schedule. 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.

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.

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, unless stated otherwise). Unless stated otherwise, these additional benefits are included in our Limit of Liability and not in addition to it:

Professional fees

We will pay for the 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 (if applicable).

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.

Expediting expenses

We will pay the 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.

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) 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.

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.

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 or Equipment 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.

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, or agree to pay, the additional Premium required by Us;

(4) the 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.

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.

The optional cover set out below is subject to the terms and conditions of this Policy, unless otherwise stated.

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 cost of working is the Limit of Liability set out in the Schedule for additional increase costs of working.

Exclusions

We will not be liable under this section for any:

(1) riot, civil commotion and sabotage

Loss, Damage, cost or expense caused directly or indirectly by or resulting from:

a) riot or civil commotion; or

b) sabotage.

(2) increase in cost (except as covered specifically in this section)

increase in Loss, Damage, cost or expense:

a) necessitated by any Act of Parliament or Regulation or any law, by-law, ordinance, regulation of any Municipal or Statutory Authority, rule or ruling regulating or restricting repair, replacement, alteration, use, operation, construction or installation;

b) arising from any Damage, contamination or Pollution by a Hazardous Substance;

c) additional expenses incurred for clean-up, repair, replacement or disposal of Damaged, contaminated or Polluted property. "Additional expenses" means expenses incurred beyond those for which We would have been liable had no contaminant, Pollutant or Hazardous Substance been involved in, or result from, the Breakdown; or

d) incurred in the removal or re-installation of bore pumps.

(3) perils

Loss or Damage from Breakdown caused directly or indirectly by or resulting from:

a) earth movement, earthquake, landslide, mud flow, subsidence or volcanic eruption;

b) cyclone, storm, tempest, wind, Hail, snow, ice, sleet, rainwater, water from or action of the sea, tsunami, tidal wave, high water or Flood or collapse of any Building or structure;

c) fire, smoke or explosion;

d) water or other means used to extinguish a fire;

e) lightning;

f) theft, burglary or attempted theft or burglary;

g) impact by Vehicle or animal; or

h) impact by Watercraft, Aircraft or other aerial devices or articles dropped from them.

(4) water and explosion

Loss or Damage caused by or resulting from:

a) escape of water or liquids, unless resulting from a Breakdown; or

b) explosion that is accompanied by or that ensues from a Breakdown; however with respect to:

i. 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

ii. 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.

(5) consequential loss

(except as covered specifically in this section) loss, Damage, cost or expense caused directly or indirectly by or resulting from:

a) delay or interruption of the Business;

b) lack of power, light, heat, steam or refrigeration; or

c) any other indirect result or consequence of a Breakdown.

(6) 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.

Other exclusions also apply under the Policy terms. See for example, "General Exclusions".

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 You and Us agree to for the purpose of conducting a risk survey or in the event of a claim. 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 reasonable steps 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 a 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.

Other conditions also apply under the Policy terms. See for example, "General Conditions Applying to All Sections".

Section 7 – Inland Transit

The following only apply to the extent relevant and subject to applicable law which may restrict Our rights in certain circumstances. For more detail on these restrictions see "When We Can Refuse to Pay or Reduce the Amount We Pay Under a Claim".

The Cover

We will cover You against Damage to Insured Property caused directly by an Event in the Period of Insurance while the Insured Property is in the ordinary course of transit within Australia between Your Premises, a warehouse or place of storage until arrival at either:

(1) the Premises, customer premises; or

(2) any other place of storage whether prior to or at the nominated destination which You have elected to use for storage, other than in the ordinary course of transit.

We will cover Damage to the Insured Property upon commencement of loading onto the conveying vehicle from the ground immediately adjacent to the conveying vehicle and unloading from the conveying vehicle to the ground immediately adjacent to the conveying vehicle.

Definitions

The following definitions apply to this section:

Insured Property

has the meaning that applies in Sections 1A and 1B.

Basis of Settlement

We will calculate the amount We will pay for a claim under this section as follows:

(1) unless a more specific calculation method is set out below in respect of Loss or Damage to Insured Property, the cost of the repair or replacement of the Insured Property.

(2) Loss or Damage to new Vehicles not insured under Your Dealer Floor Plan Agreements:

   a) Total Loss – the replacement cost of the Vehicle, (including options, Accessories, tools and spare parts) or if not replaced, the Stock Card Value of the Vehicle, with no allowance for dealer margin or profit.

   b) Partial Loss – the cost to repair the Vehicle (including options, Accessories, tools and spare parts). If You repair the Vehicle, We will pay labour costs based on Your recognised labour rates. If You supply the parts and Accessories, the amount We will pay for such parts and Accessories will be the cost to You plus 15%.

(3) on new Vehicles subject to Your Dealer Floor Plan Agreements, the amount in Excess of the amount recoverable under such agreement and any improved value at the time of the Damage, limited to Your equity in such Vehicles. This does not include any difference in Excesses under Your Dealer Floor Plan Agreements and this section.

(4) Loss or Damage to used Vehicles not insured under Your Dealer Floor Plan Agreements:

a) Total Loss – the sum of the actual price paid by You plus all direct expenditure subsequently incurred in the preparation and improvement of the Vehicle for resale (with no allowance for profit or other expenses) or Market Value, whichever is the lesser.

b) Partial Loss – the cost to repair the Vehicle (including options, Accessories, tools and spare parts). If You repair the Vehicle, We will pay labour costs based on Your recognised labour rates. If You supply the parts and Accessories, the amount We will pay for such parts and Accessories will be the cost to You plus 15%.

(5) on used Vehicles subject to Your Dealer Floor Plan Agreements, the amount in Excess of the amount recoverable under such agreement and any Improved Value at the time of the Damage, limited to Your equity in such Vehicles. This does not include any difference in Excesses under Your Dealer Floor Plan Agreements and this section.

(6) on leased Vehicles (residual value), on Vehicles under a lease agreement that are Total Loss, the payout sum under the lease agreement, if it is greater than an amount that otherwise applies under this section. However, We will not pay more than the cost to repair or replace that Vehicle, plus 10% of that amount.

(7) on Customer's Vehicles:

either of the following, at Our option:

a) pay You the cost to repair or replace the Vehicle as far as circumstances permit and in a reasonably sufficient manner, to a condition equal to but not better or more extensive than its condition immediately prior to the Damage occurring, with allowance for wear, tear and depreciation; or

b) pay You the Market Value of the Vehicle.

(8) on spare parts and Accessories of Vehicles, the cost of repair or replacement provided that if the parts and or Accessories are supplied by You, the amount We will pay will be Your cost of parts and or Accessories plus 15%, plus the reasonable cost of fitting.

In addition to (1) to (8) above, We will pay the cost of the freight for which You are responsible.

The cover on Your Vehicles, spare parts and Accessories ceases automatically if We pay a Total Loss claim for that Vehicle, spare parts and Accessories.

Excess

You must pay or bear any Excess that applies to a claim under this section. The Excesses that apply to this section will be set out in the Schedule.

If You don't pay the Excess(es) to Us or as We direct, We may deduct the Excess(es) from the amount We pay in relation any claim. The relevant Limit of Liability We pay up to is less any applicable Excess(es).

Limit of Liability

We will not pay more under this section than the Limit of Liability set out in the Schedule for all Loss and Damage incurred in any one conveyance.

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 our Limit of Liability and not in addition to it.

Extra costs and expenses

We will cover You for the following expenses that You necessarily and reasonably incur in minimising or averting Damage covered by this section:

(1) any extra charges incurred by You in unloading, storing and forwarding the Insured Property to the destination;

(2) costs incurred in minimising or averting Damage resulting from an Event covered by this section; and

(3) any additional charges for forwarding and refitting of new parts damaged for any Insured Property

Damaged as a result of an Event covered by this section.

Diminished Value Allowance (DVA)

We will pay You the following for Your Vehicles that are:

– stock; or

– are not a Total Loss.

(1) New Vehicles

a) If the Selling Price is $60,000 or greater:
   i. if Damage is $800 or less, then allow cost of repairs as DVA.
   ii. if Damage is greater than $800 but not exceeding $5,000, then allow $3,000 as DVA.
   iii. if Damage exceeds $5,000 then allow cost of repairs as DVA but limited to $10,000.

b) If the Selling Price is $40,000 or greater but less than $60,000:
   i. if Damage is $800 or less, then allow cost of repairs as DVA.
   ii. if Damage is greater than $800 then allow DVA of $2,000.

c) If the Selling Price is $30,000 or greater but less than $40,000:
   i. if Damage is $800 or less, then allow cost of repairs as DVA.
   ii. if Damage is greater than $800, then allow DVA of $1,500.

d) If the Selling Price is less than $30,000:
   i. if Damage is $800 or less, then allow cost of repairs as DVA.
   ii. if Damage is greater than $800, then allow DVA of $1,200.

(2) Used Vehicles

a) If the Selling Price is greater than $25,000:
   i. allow $2,000 as DVA or the cost of repairs whichever is the lesser.

b) If the Selling Price is greater than $12,500 but less than $25,000:
   i. allow $1,500 as DVA or the cost of repairs whichever is the lesser.

c) If the Selling Price is $12,500 or less:
   i. allow nil DVA, unless still covered by the manufacturer's warranty then allow cost of repairs as DVA or $1,200 whichever is the lesser.

Total Loss extension

At Your option, We will substitute the following as the method We will use to calculate the amount We will pay You for Damage to Your Vehicles that are stock and have travelled less than 10,000 kilometres at the date of Damage:

(1) if Your Vehicle had a Market Value of $50,000 or less at the date of the Loss and incurs 30% or more Damage, the Vehicle will be treated as a Total Loss.

(2) if Your Vehicle had a Market Value of between $50,001 and $100,000 at the date of the Loss and incurred 25% or more Damage, the Vehicle will be treated as a Total Loss.

(3) if Your Vehicle had a Market Value of $100,001 or more at the date of the Loss and incurred 20% or more Damage, the Vehicle will be treated as a Total Loss.

The Diminished Value Allowance (DVA) additional benefit will not apply to Your Vehicle if You select this option.

Advertising costs

We will pay the reasonable advertising costs incurred by You to facilitate the sale of Your Vehicles, up to a maximum of $250 for each Vehicle.

This additional benefit applies in addition to the Limit of Liability.

Claim preparation costs

We will cover You for the reasonable professional fees payable by You to Your financial advisers (including fees of any accountant, loss adjuster or valuer appointed by You), and such other reasonable expenses necessarily incurred by You and not otherwise recoverable, for preparation of claims and proving the amount of any Loss under this section.

The most We will pay under this additional benefit is the Limit of Liability set out in the Schedule for "Claims Preparation Costs".

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.

The most We will pay under this additional benefit is $100,000 for any one Event. This additional benefit applies in addition to the Limit of Liability.

Extended transit cover

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) any period where the Insured Property is "shut out" from the conveyance or intended destination; and

(3) any Insured Property which has been "over-carried", until returned to the place of destination.

Acquired companies

We will cover any Insured Property located in Australia belonging to businesses, or companies a controlling interest in which is, acquired by You during the Period of Insurance, provided that the business of the new acquisition is similar to the Business.

However, You must advise Us in writing of the details of any acquisition within 90 days following the date of acquisition. You agree to pay any additional Premium that applies.

For the purposes of this additional benefit, a controlling interest in the case of a company means the acquisition of shares carrying more than 50% of votes capable of being cast at a general meeting of ordinary shareholders in such company.

Exclusions

We will not pay for any loss, Damage or expense caused by or resulting from:

(1) moths, vermin or insects;
(2) wear, tear or gradual deterioration;
(3) mechanical, electrical or electronic derangement;
(4) mould or mildew unless resulting from contact with fresh water;
(5) strikers, locked out workmen or persons taking part in labour disturbances, riots or civil commotions;
(6) insufficient or unsuitable packing of the Insured Property;
(7) inherent vice or nature of the subject matter insured; or
(8) delay, even if the delay is caused by an Event insured against.

However, We will pay for loss, Damage or expense due to a subsequent Event which arises from the circumstances excluded in exclusions (1), (2) or (3) above.

Other exclusions also apply under the Policy terms. See for example, "General Exclusions".

Conditions

The following conditions apply to this section:

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.

General average and salvage clause

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 section for that property.

Waiver

any measures You or We take to save, protect or recover the Insured Property shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

Automatic reinstatement

when We pay a claim under this section of the Policy, the Limit of Liability will be automatically reinstated without additional Premium.

However, nothing in this clause will increase the Limit of Liability for any one claim, Event or occurrence.

Other conditions also apply under the Policy terms. See for example, "General Conditions Applying to All Sections".

Section 8 – Tax Audit

The following only apply to the extent relevant and subject to applicable law which may restrict Our rights in certain circumstances. For more detail on these restrictions see "When We Can Refuse to Pay or Reduce the Amount We Pay Under a Claim".

The Cover

We will pay for the Professional Fees incurred by You in connection with a Tax Audit of Your financial or tax affairs in respect of the Business by the Australian Taxation Office, or by another Commonwealth, State or Territory department:

(1) commenced; and

(2) notified to Us,

in the Period of Insurance.

For the purpose of this section, the Tax Audit commences at the time You or Your professional adviser first receive notice that the Auditor proposed to conduct a Tax Audit and is completed when:

(1) the Auditor has given written notice to that effect;

(2) the Auditor notifies You that it has made a Concluded Decision about Your Returns;

(3) when the Auditor has issued an assessment or amended assessment of Your Returns; or

(4) in the absence of 1), 2) or 3) above where Your professional adviser declares in writing that such a Tax Audit has been concluded.

Definitions

The following definitions apply to this section:

Auditor

means an officer who is authorised under Commonwealth, State or Territory legislation or regulation to carry out an audit of Your taxation or financial affairs or Return.

Concluded Decision

means any written notification of the Auditor's concluded views in connection with a Return and includes any written statement which is intended by the Auditor to be its findings in connection with a Return or the basis upon which it proposes to act in connection with a Return.

Investigation

means any formal investigation of You by the Australian Tax Office, or any Australian Commonwealth State or Territory department, body or agency, or authority in relation to Your taxation, financial affairs or Return.

Professional Fees

means fees paid by You to an accounting professional in respect of service(s) provided to You.

Return

means any return legally required to be, and that is actually lodged with, an Australian Commonwealth, State or Territory government or government authority or agency by You or on Your behalf.

Retroactive Date

means the retroactive date set out in the Schedule for this section.

Reviewable Decision

has the same meaning as that in section 10 of the Superannuation Industry (Supervision) Act 1993 (Cth) including any successor or replacement legislation.

Self-Managed Superannuation Fund

means any fund which meets the definition contained in the Superannuation Industry (Supervision) Act 1993 (Cth), being a fund that has the following basic characteristics (subject to any specific exceptions referred to in Superannuation Industry (Supervision) Act 1993 (Cth)) including any successor or replacement legislation:

(1) fewer than 5 members;

(2) each individual trustee (or director if a corporate trustee) is a member;

(3) each member is a trustee (or director if a corporate trustee);

(4) no member is an employee of another member (unless they are relatives); and

(5) no trustee (or in the case of a corporate trustee, no director) of the fund receives remuneration for their services from the fund or from any person for any duties or services performed by the trustee in relation to the fund.

Tax Audit

means the audit or Investigation of a Return submitted by You or on Your behalf by the Australian Tax Office, or any Australian Commonwealth State or Territory department, body or agency, or authority which is duly authorised to conduct such an audit, or a record keeping audit.

Limit of Liability

The most We will pay for a claim during the Period of Insurance relating to a Tax Audit is the amount shown on the Schedule.

The most We will pay for all claims during the Period of Insurance is the aggregate Limit of Liability shown in the Schedule.

Additional Benefits

The following additional benefit applies to this section. These benefits will be payable in the event that a claim is paid under this section (other than the optional covers, unless stated otherwise).

Extra benefit

If We agree to pay a claim under this section, We will reimburse You for travel and accommodation expenses incurred by You or Your Employees if they are necessarily incurred.

Optional Covers

If You have cover under this section, You can choose to add the following optional covers to Your Policy. The options that You have chosen to add to Your Policy will be set out in the Schedule.

These optional covers set out below are subject to the terms and conditions of this Policy, unless otherwise stated.

Director Tax Audits

We will extend the definition of You under this section to include all of Your directors named in the Schedule as covered under this section for director Tax Audits.

The most We will pay under this optional benefit during the Period of Insurance is the Limit of Liability set out in the Schedule.

Superannuation cover

You can only choose this optional cover if You also have the "Director Tax Audit" optional cover.

The term Tax Audit is amended to include any Tax Audit of a Self-Managed Superannuation Fund named in the Schedule for the purpose of determining any matter relating to such superannuation fund, or its trustees' compliance with any of the provisions of the Superannuation Industry (Supervision) Act 1993 (Cth).

Under this optional cover, We will also pay the Professional Fees in connection with an appeal to reconsider a Reviewable Decision in respect of Superannuation Industry (Supervision) Act 1993 (Cth) to an administrative tribunal constituted to hear appeals, provided that You supply Us with:

(1) written evidence that the appeal has a reasonable prospect of success; and

(2) any other Documents and information We reasonably require in relation to the Tax Audit of the Self-Managed Superannuation Fund or the appeal.

Exclusions

We will not pay:

(1) in respect of any Tax Audit where a Return has been lodged:
   a) more than 3 months after the lodgement date prescribed; or
   b) after the date prescribed by an authorised extension.
   c) within the further period where an extension has been granted by the Auditor

(2) if the Tax Audit is conducted by the Australian Prudential Regulation Authority ("APRA");

(3) in respect of any Tax Audit where a Return has been prepared lodged or submitted dishonestly or fraudulently, and where the supporting documents have been falsely created or collected;

(4) in respect of any Tax Audit where the Australian Taxation Office imposes final-culpability penalties at greater than 40% of the audit costs, or where another Auditor assesses Your behaviour as being a case of deliberate evasion or recklessness;

(5) in respect of any routine enquiries, or enquiries from the Auditor which are not identified as being either preliminary to, or relating to any Tax Audit of a Return;

(6) for Professional Fees that are:
   a) associated with any criminal prosecution;
   b) associated with any Return lodged outside Australia;
   c) in respect of any person or organisation ordinarily resident outside Australia; or
   d) incurred for, or are ordinarily associated with the preparation of Your accounts, Returns, taxation and financial records or advice which should have been incurred or ordinarily would have been incurred for work done prior to or as part of the preparation of Your accounts, Returns, taxation and financial records prior to the lodgement of Your taxation Returns, financial records, or any document required by the relevant legislation in connection with Your Returns;

(7) for any:
   a) amounts sought by any amended notice of assessment;
   b) additional tax, duty, government impost or the like;
   c) fine or penalty imposed; or
   d) costs in legally pursuing or defending any legal actions against You or initiated by You (unless it is with Our prior written consent which will not be unreasonably withheld); or
   e) in respect of any Tax Audit that includes a refund or claim for tax or duty relief arising out of an arrangement, facility, financial structure or the like adopted for the principal purpose of obtaining that refund or relief, unless the arrangement has received prior written approval from the relevant government or government authority or agency before being offered to You or the general public.

(8) for any form of activity involving a periodic review relevant to You maintaining industry status, licence, compliance, membership, any form of occupational health and safety compliance, similar requirements;

(9) for any form of activity involving a review of how the professional firm assisting You undertakes its professional duty;

(10) for any activity involving a statutory authority agency gathering information or data that is not part of a formal Tax Audit or investigation; or

(11) for any activity involved in the familiarisation, education, training, application, implementation, process or operation of any amendments or changes to existing or the introduction of new statutory or industry regulation;

(12) any Tax Audit commenced prior to the inception date of the Period of Insurance; or

(13) any Professional Fees in connection with:
   a) any audits conducted by the Australian Prudential Regulatory Authority;
   b) an appeal to a court of law; or
   c) a Reviewable Decision in respect of Superannuation Industry (Supervision) Act 1993 (Cth) to which Our written consent was not obtained before those fees were incurred.

Other exclusions also apply under the Policy terms. See for example, "General Exclusions".

Conditions

The following conditions apply to this section:

(1) if Your tax or financial affairs are going to be investigated You must:

a) provide Us as soon as reasonably 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 which will not be unreasonably withheld of that person's engagement and of the fees and disbursements likely to be incurred;

c) keep Us fully informed as soon as reasonably practicable of all material developments in relation to the claim and the Tax Audit;

d) take all reasonable steps to minimise cost and delay; and

e) submit to Us all accounts for Professional Fees as soon as reasonably 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.

For cover under this condition (1) to operate You are required to:

(1) respond to letters, requests and enquiries from the Auditor within a reasonable time; and

(2) make full and complete declarations to the relevant authorities of all relevant liabilities, income and capital gains derived by You and of all Commonwealth, State or Territory taxation liabilities due to be paid or remitted by You during each year of income, and all deductions including capital loss or other amounts claimed by You in respect of the same period.

Other conditions also apply under the Policy terms. See for example, "General Conditions Applying to All Sections".

Section 9 – Occupational Liability

The following only apply to the extent relevant and subject to applicable law which may restrict Our rights in certain circumstances. For more detail on these restrictions see "When We Can Refuse to Pay or Reduce the Amount We Pay Under a Claim".

The Cover

You are covered under this section for the covers (insuring clauses) set out below that have been chosen by You and that are shown as included in the Schedule.

You are not covered for any covers that are not shown as included in the Schedule.

The limits and sub-limits of liability for each insuring clause are addressed in the Limit of Liability section on page 132. Management Liability includes insuring clauses 1 to 7 inclusive. Motor Trades Errors and Omissions has a separate Limit of Liability. Both are shown on the Policy Schedule.

Insuring Clause 1: Directors and Officers Liability

We will pay, on behalf of the Insured Persons, Loss resulting from Claims:

(1) first made against the Insured Persons; and

(2) notified to Us,

during the Period of Insurance based on Management Wrongful Acts in connection with the Business for which the Company has not agreed to provide cover.

Insuring Clause 2: Company Reimbursement

We will pay, on behalf of the Company, Loss resulting from Claims:

(1) first made against the Insured Persons; and

(2) notified to Us,

during the Period of Insurance based on Management Wrongful Acts in connection with the Business if, and to the extent that, the Company has agreed to provide indemnity to the Insured Persons for such Loss.

Insuring Clause 3: Company Liability

We will pay on behalf of the Company, Loss resulting from Claims:

(1) first made against the Company; and

(2) notified to Us,

during the Period of Insurance based on Management Wrongful Acts in connection with the Business.

Insuring Clause 4: Employment Practice Liability

We will pay, on Your behalf, Loss resulting from Claims:

(1) first made against You; and

(2) notified to Us,

during the Period of Insurance, where such Loss is in respect of or arising out of an Employment Wrongful Act in connection with the Business.

Our total liability under this insuring clause will not exceed in the aggregate, the Employment Practice Liability Limit of Liability set out in the Schedule.

Insuring Clause 5: Trustee Liability

We will pay, on behalf of the Trustee, Loss resulting from Claims:

(1) first made against the Trustee; and

(2) notified to Us,

during the Period of Insurance, based on Trustee Wrongful Acts in connection with a Superannuation Fund.

Our total liability under this insuring clause will not exceed in the aggregate, the Trustee Liability sub-limit of liability set out in the Schedule.

Insuring Clause 6: Fidelity Loss

We will pay the Company for Policy Claims for Fidelity Loss:

(1) first Discovered; and

(2) Notified to Us,

during the Period of Insurance.

Our total liability under this insuring clause will not exceed in the aggregate, the Fidelity sub-limit of liability set out in the Schedule.

Insuring Clause 7: Business Crisis Consultant Fees

We will pay on behalf of the Company, Business Crisis Consultant Fees incurred by the Company in responding to a Business Crisis Event that first occurs during the Period of Insurance.

Our total liability under this insuring clause will not exceed in the aggregate, the Business Crisis Consultant sub-limit of liability set out in the Schedule.

Insuring Clause 8: Motor Trades Errors and Omissions

We will pay on Your behalf, Loss resulting from Claims first made against You and notified to Us during the Period of Insurance based on liability at law for Motor Trades Services Wrongful Acts in connection with the Business in the conduct of the Motor Trades Services.

Definitions

The following definitions apply to this section:

Benefits

means:

(1) fringe benefits and perquisites;

(2) amounts due or payments made in connection with superannuation or an employee benefit plan or pension scheme;

(3) share or stock options or any other right to purchase, acquire or sell shares or stock; or

(4) bonuses, or employee or management incentive schemes or similar.

Business Crisis Consultant Fees

mean the reasonable costs, charges, fees and expenses of an independent management consultant engaged to minimise the effect of the Business Crisis Event, but only during the first thirty days immediately following the Business Crisis Event.

Business Crisis Event

means any one of the following unforeseen events which, in the reasonable opinion of the managing director (or equivalent) of the Company, if left unmanaged has the potential to lead to an imminent decrease of 30% or more of the Company's consolidated revenues:

(1) the loss of a major customer or contract of the Company;

(2) the sudden and unexpected death or injury of any Insured Person;

(3) the unexpected imposition of a tax bill;

(4) the recall of any product manufactured, distributed or sold by You; or

(5) the illegal tampering with or contamination of any product manufactured, distributed or sold by You.

Claim

means:

(1) a written communication, including electronic communications, to You, containing a demand for compensation or damages, alleging an act, error, omission, conduct, facts or circumstances that may constitute a Wrongful Act;

(2) a civil proceeding commenced by the service of a written complaint, summons, statement of claim, writ or similar pleading or an arbitral process, cross-claim, or counter claim against You alleging an act, error, omission, conduct, facts or circumstances that may constitute a Wrongful Act;

(3) any criminal proceeding commenced by a summons or charge of You arising from a Wrongful Act; or

(4) any official investigation, examination, inquiry or other proceedings which gives rise to Representation Expenses.

Claim does not mean an action solely for declaratory or injunctive relief where there is no demand for compensation or damages.

Company

means:

(1) the Named Insured; or

(2) Subsidiaries of the Named Insured prior to or as at the commencement of the Period of Insurance, but cover only applies in respect of Wrongful Acts or any dishonest or fraudulent act committed or alleged to have been committed after the acquisition or creation of such Subsidiary.

Conflict of Interest

means any actual or perceived competing professional or personal obligation or financial interest which You have in dealing with Your client(s) that includes, but is not limited to, any related but undisclosed commission, fee or other benefit payable to You, of Your family members or a Related Entity that You have an interest in.

Consumer Protection Act

means any the Competition and Consumer Act 2010 (Cth), the Australian Securities and Investments Commission Act 2001 (Cth) and any similar State or Territory fair trading legislation and any amendment, consolidation, re-enactment or replacement of any of that legislation.

Control

has the same meaning as defined in section 9 of the Corporations Act 2001 (Cth).

Covered Property

means tangible property other than Money and Securities.

Defence Costs

means Your share, according to the Allocation of Loss claims condition, of necessary and reasonable costs, charges, fees and expenses (other than regular or overtime wages, salaries, fees or Your Benefits) incurred by You with Our prior written consent, in defending, investigating or settling covered Claims.

Director

means any natural person who was prior to the Period of Insurance, or is during or after the Period of Insurance a validly appointed director (as defined in the Corporations Act 2001 or any equivalent provision in the jurisdiction in which the Company is incorporated) of the Company.

Employee

means:

(1) any person while employed under a contract of service with, or apprenticeship to, You;

(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 the Business, but does not include:

   a) any broker, factor, commission agent, consignee, contractor or other agent; or

   b) any of Your partner(s) or Director(s) other than executives,

   unless such person is also Your Employee or has been seconded into Your employment by You.

(3) any person employed in the finance and insurance section(s) of the Business even though they may not be Your employee.

Employment Wrongful Act

means any employment related act, error, omission or conduct constituting actual, constructive or alleged wrongful dismissal, discharge or termination of employment, wrongful failure to employ or promote, wrongful deprivation of career opportunity, misleading representation or advertising in respect of employment, wrongful disciplinary action, negligent Employee evaluation, wrongful demotion, breach of employment contract, sexual or workplace harassment (including the creation of a workplace environment conducive to such harassment), wrongful discrimination, failure to grant tenure, invasion of privacy or defamation, committed by You.

Fidelity Loss

means any direct financial or physical loss of Money, Securities and Covered Property belonging to, leased by or in the care, custody or control of the Company, sustained by the Company caused by any dishonest or fraudulent act committed by an Employee (whether acting alone or in collusion with any other person).

Fidelity Loss does not mean:

(1) regular or overtime wages, salaries, fees or Benefits earned in the normal course of employment; or

(2) damages of any type, including but not limited to punitive, exemplary or aggravated damages.

Insured Person

means any natural person who was prior to the Period of Insurance, or is during or after the Period of Insurance a Director, Officer or Employee of the Company.

Loss

means:

(1) the amount, whether determined by judgment, verdict or award for which You are legally liable to a third party for a Claim and includes damages, compensation orders, interest and claimant's costs and expenses;

(2) a settlement of a Claim by a third party against You, which complies with Settlement claims condition; and

(3) Defence Costs;

(4) under insuring clause 4, in the event that the Company is ordered to reinstate or re-employ an Employee, the cost to the Company of complying with any order to pay salary or wages, or damages calculated by reference to salary or wages, to an Employee for the period from the date of the purported dismissal or termination to the date on which the court, tribunal or similar body delivered its judgment to the parties; and

(5) under insuring clause 6, Fidelity Loss;

(6) under insuring clause 7, Business Crisis Consultant Fees;

(7) under the Fraud Investigator Expenses additional benefit, all reasonable expenses incurred by the Company with Our prior written consent, solely to investigate, prove and substantiate the amount of the Policy Claim;

(8) under the Lost Documents additional benefit, costs and expenses reasonably incurred in replacing or restoring lost or Damaged Documents;

(9) under the Occupational Health and Safety Expenses, Pollution Expenses and Representation Expenses Extensions, Representation Expenses additional benefits, Representation Expenses; and

(10) under the Pecuniary Penalties additional benefit and the Company Pecuniary Penalties optional cover only, pecuniary penalties, each subject to the Allocation of Loss claims condition.

Loss does not mean or include any taxes, fines and penalties imposed by law, other than those covered under the Pecuniary Penalties additional benefit or punitive, exemplary or aggravated damages.

Management Wrongful Act

means any act, error, omission, conduct, misstatement, misleading statement, neglect or breach of duty, trust, contract, warranty of authority, statute or confidentiality, actually or allegedly committed by:

(1) the Company; or

(2) You in Your capacity:

a) as an Insured Person; or

b) under the Outside Directorships additional benefit, only, as a Director or Officer of, or as the holder of a position of equivalent status in, any Non-Profit Outside Entity or Outside Entity, or any matter claimed against You solely by reason of You serving in such capacities.

Management Wrongful Act does not include any Employment Wrongful Act, Motor Trades Services Wrongful Act or Trustee Wrongful Act.

Merger or Acquisition

means the Named Insured or the Company consolidating with, merging into or selling all or substantially all of its assets such that the Named Insured or the Company is not the surviving entity or any entity obtaining Control of the Named Insured or the Company.

Money

means:

(1) 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; or

(2) any Superannuation Fund or pension fund formed by You and exclusively for the benefit of Employees but does not include any scheme that is administered by a professional funds manager.

Motor Trades Services

means the following services of the Company:

(1) sale and service of Vehicles;

(2) arranging Vehicle finance or providing advice on Vehicle financing for customers;

(3) arranging Vehicle insurance or providing advice on Vehicle insurance for customers but only in circumstances where the Company is an authorised representative of an insurer which holds an Australian Financial Services Licence;

(4) providing customers with referrals to Vehicle finance and Vehicle insurance companies; or

(5) the inspection of Vehicles, provision of advice regarding roadworthiness of Vehicle and recommendation as to repairs or parts required to or for Vehicles and the issue of documentation to facilitate Vehicle registration or transfer of title.

Motor Trades Services Wrongful Act

means any act, error, omission, conduct, misstatement, misleading statement, neglect, defamation, infringement of rights of intellectual property or breach of duty, trust, contract, warranty of authority, statute or confidentiality, actually or allegedly committed by You in the conduct of the Motor Trades Services, but does not include a Management Wrongful Act, Employment Wrongful Act or Trustee Wrongful Act.

Non-Profit Outside Entity

means a non-profit organisation of any kind that is exempt from the payment of income tax, other than a Subsidiary.

Officer

means any person who was prior to the Period of Insurance, or is during or after the Period of Insurance:

(1) a company secretary of the Company; or

(2) a person:

a) who makes, or participates in making, decisions that affect the whole, or a substantial part, of the Business of the Company;

b) who has the capacity to affect significantly the Company's financial standing; or

c) in accordance with whose instructions or wishes the Directors of the Company are accustomed to act (excluding advice given by the person in the proper performance of functions attaching to the person's professional capacity or their business relationship with the Directors or the Company), other than:

i. a receiver, or receiver and manager;

ii. an administrator or an administrator of a deed of company arrangement;

iii. a liquidator; or

iv. a trustee or other person administering a compromise or arrangement made between the Company and someone else.

Outside Entity

means any company specified as on outside entity in the Schedule or by Endorsement, other than a Subsidiary.

Policy Claim

means a written demand by or on Your behalf to Us for payment under this Policy.

Policy Committee

means any prescribed policy committee for the purposes of Part 9 of the Superannuation Industry (Supervision) Act 1993 (Cth).

Related Entity

has the same meaning as defined in the Corporations Act 2001 (Cth).

Related Claims

means all Claims arising directly or indirectly from or in respect of the same or causally related or continuous or repeated Wrongful Acts whether committed by one or more of You and whether directed to or affecting one or more than one person or legal entity.

Representation Expenses

means the necessary and reasonable costs, charges, fees and expenses (other than regular or overtime wages, salaries, fees or Your Benefits) incurred by You, with Our prior written consent, in preparing for, attending and being represented at any official investigation, examination, inquiry or other proceedings (other than the Company's or Superannuation Fund's own internal investigation) ordered or commissioned by any regulator, government body or authority, governmental or administrative agency, official body or institution, legally constituted industry or professional board into the affairs of the Company or the conduct of the Insured Persons in their capacity as such or as a Director or Officer of, or the holder of a position of equivalent status in a Non-Profit Outside Entity or Outside Entity or Trustees in their capacity as such, provided that notice of the investigation, examination, inquiry or other proceedings is first received by You and notified to Us during the Period of Insurance.

Retroactive Date

means the retroactive date set out in the Schedule for this section.

Specified Policy

means any insurance contract under which the Named Insured or You are entitled to an indemnity and which is specified in the Schedule, Proposal or by endorsement or any renewal or replacement of that insurance contract.

Superannuation Fund

means a corporate Superannuation Fund established for the benefit of Employees of the Company, but excludes any industry, master or self-managed superannuation fund.

Trustee

means any Insured Person who:

(1) was prior to the Period of Insurance, or is during or after the Period of Insurance:
   a) a duly appointed trustee of the Superannuation Fund; or
   b) member of the Policy Committee of the Superannuation Fund, to the extent that such person's activities concern the administration of that Superannuation Fund as is contemplated under the Superannuation Industry (Supervision) Act 1993 (Cth); or

(2) was prior to or at the commencement of the Period of Insurance a trustee of the Superannuation Fund duly appointed by a court or regulatory body or pursuant to statute.

Trustee Wrongful Act

means any act, error, omission, conduct, misstatement, misleading statement, neglect, defamation or breach of duty, contract, confidentiality, trust or statute, actually or allegedly committed by any Trustee in connection with the Superannuation Fund, but does not include any Employment Wrongful Act.

Wrongful Act

means:

(1) a Management Wrongful Act;

(2) an Employment Wrongful Act;

(3) a Motor Trades Services Wrongful Act; or

(4) a Trustee Wrongful Act.

You and Your

means:

(1) the Company;

(2) the Insured Persons; and

(3) any Trustee.

Limit of Liability

If You comprise of more than one entity, the Management Liability limit of liability and Errors and Omissions limit of liability applies to the group of such entities as a whole.

Management Liability Limit of Liability

Our liability to You under Insuring Clauses 1, 2, 3, 4, 5, 6, and 7 will not exceed the Management Liability Limit of Liability in the aggregate as stated on the Schedule for all:

(1) Loss resulting from all Claims first made and notified to Us during the Period of Insurance;

(2) Policy Claims for Fidelity Loss first discovered and notified to Us during the Period of Insurance; and

(3) Business Crisis Consultant Fees incurred in responding to a Business Crisis Event first occurring during the Period of Insurance.

We have no liability under Insuring Clauses 1, 2, 3, 4, 5, 6, and 7 of this section of the Policy for any amount above the Management Liability Limit of Liability as stated on the Policy Schedule.

Errors and omissions Limit of Liability

Our liability to You under Insuring Clause 8, will not exceed the errors and omissions Limit of Liability in the aggregate as stated in the Schedule for all:

(1) Loss resulting from all Claims first made and notified to Us during the Period of Insurance; and

(2) Policy Claims for costs and expenses reasonably incurred in replacing or restoring lost or Damaged Documents for Loss or Damage first discovered by You and notified to Us during the Period of Insurance.

We have no liability under insuring clause 8 for any amount above the Errors and Omissions Limit of Liability as stated on the Schedule.

Related claims

For the purpose of the calculation of the Management Liability Limit of Liability, Errors and Omissions Limit of Liability, and all sub-limits of liability for Insuring Clauses 1, 2, 3, 4, 5, 6, and 7 or any applicable Excess, all related claims will be deemed to be one claim and cover for all related claims will be provided as follows:

(1) if the first Related Claim was first made and notified to Us during a period prior to this Period of Insurance, during which You had cover with Us, then cover for all Related Claims will only be provided under that earlier Policy with Us, subject to the terms, Excess and Limit of Liability of that earlier Policy; and

(2) if the first Related Claim was first made during a period prior to this Period of Insurance, during which You did not have cover with Us, then no cover for any Related Claim will be provided under this Policy.

Related Fidelity Loss

For the purpose of the calculation of the fidelity Limit of Liability or Excess, all Policy Claims for Fidelity Loss sustained as a result of the same or causally related acts, causes or Events will be deemed to be one Policy Claim regardless of when such acts occurred.

Additional Benefits

Unless otherwise stated, any payment made under each of these additional benefits will be part of and not in addition to the Limits of Liability, as applicable, to the stated insuring clause in relation to which the payment is made pursuant to the additional benefit. These additional benefits only apply to the stated insuring clauses.

Acquisition or creation of new Subsidiaries

Insuring Clauses 1, 2, 3, 4, 5 and 6 are extended as follows:

If, during the Period of Insurance, the Company acquires or creates a new Subsidiary that has total assets (by reference to the new Subsidiary's most recent financial statements as at the time of acquisition or creation) that are no greater than the total assets of the Company (by reference to the Company's most recent financial statements as at the time of acquisition or creation), then the definition of Company will be extended to include the new Subsidiary, but cover only applies in respect of Wrongful Acts or any dishonest or fraudulent act committed or alleged to have been committed subsequent to the acquisition or creation of such Subsidiary.

The definition of Company does not extend to include any new Subsidiary acquired or created by the Company that:

(1) has any of its securities listed on any exchange in North America; or

(2) is domiciled or incorporated in North America.

Advancement of Defence Costs and Representation Expenses

Insuring clauses 1, 2, 3, 4, 5 and 8 and the Representation Expenses additional benefit, Occupational Health and Safety Expenses additional benefit and Pollution Expenses additional benefit are extended as follows:

We will advance Defence Costs and, under the Representation Expenses additional benefit, Occupational Health and Safety Expenses additional benefit and Pollution Expenses, We will also advance Representation Expenses.

However, if and to the extent that You are not entitled to cover for Loss under the terms of this Policy, then We will cease to advance Defence Costs and Representation Expenses and any amounts previously advanced shall be repaid to Us by You within 30 days following a request by Us for such repayment.

If a Claim alleges any act or conduct described in clauses (a), (b) or (c) of exclusion 5 Dishonest or criminal intent or improper conduct, then We will advance Defence Costs and Representation Expenses in respect of such Claim until it is found by way of an admission by You, judgment or adjudication that You did in fact commit such Wrongful Act or engage in such illegal or improper conduct and any amounts previously advanced shall be repaid to Us by You within thirty days following a request by Us for such repayment.

Continuity

Insuring clauses 1, 2, 3, 4, 5 and 8 are extended as follows:

in the absence of fraudulent non-disclosure or fraudulent misrepresentation, where a Claim that would otherwise be covered by this Policy is excluded by the Known claims and circumstances exclusion, then cover is provided under this Policy, provided that:

(1) You first became aware of the fact, event, circumstance or Wrongful Act that gave rise to the Claim after the Retroactive Date specified in the Schedule;

(2) You were insured against the Wrongful Act by Us at the time when You first became aware of such fact, event, circumstance or Wrongful Act and has since been insured continuously by Us, under a Policy of which this Policy is a replacement; and

(3) no Related Claim has been made against You prior to the Period of Insurance.

The cover provided under this additional benefit will be in accordance with this Policy, except that:

(1) if the Excess applicable to the Policy in force at the time when You first became aware of such fact, event, circumstance or Wrongful Act is higher than the Excess specified in the Schedule, then that higher amount will be deemed to be the Excess specified in the Schedule in respect of such Claim; and

(2) if the amount of the Limit of Liability applicable to the Policy in force at the time when You first became aware of such fact, event, circumstance or Wrongful Act is lower than the amount of the errors and omissions Limit of Liability or management liability Limit of Liability, as applicable, then that lower amount will be deemed to be the amount of the errors and omissions Limit of Liability or management liability Limit of Liability, as applicable, in respect of such Claim.

Fraud investigator expenses

If insuring clause 6 is included in the Schedule, it is extended to cover all reasonable expenses (excluding overtime wages, salaries, fees and other internal costs incurred in the normal course of Business) incurred by the Company with Our prior written consent, solely to investigate, prove and substantiate the amount of the Policy Claim.

Our total liability under this additional benefit will not exceed in the aggregate the fraud investigator expenses Limit of Liability set out in the Schedule.

Legal representatives

Insuring clauses 1, 2, 4, 5 and 8 are extended as follows:

if an Insured Person or Trustee dies or becomes legally incapable or bankrupt, then this Policy will afford cover for Loss resulting from Claims:

(1) first made against such Insured Person's or Trustee's estate, heirs, executors or other legal representatives; and

(2) notified to Us,

during the Period of Insurance based on Wrongful Acts by such Insured Person or Trustee. However, the estate, heirs, executors or other legal representatives must comply with the terms of this Policy.

Lost Documents

Insuring clause 8 is extended as follows:

We will pay the Company for Policy Claims for costs and expenses reasonably incurred by them in replacing or restoring lost or damaged Documents where such Loss or Damage is first Discovered by You and notified to Us during the Period of Insurance, provided that:

(1) such Loss or Damage is sustained while the Documents are either in transit or in Your care, custody or under the control or of any person to whom You have entrusted; and

(2) where the Documents are in electronic format, You or any person to whom You have entrusted, have in place sufficient and proper procedures for the security and the daily back-up of the Documents.

Our total liability under this extension will not exceed in the aggregate the lost documents Limit of Liability specified in the Schedule.

The Excess does not apply to this additional benefit.

Occupational Health and Safety Expenses

Subject to the provisions of the Advancement of Defence Costs and Representation Expenses additional benefit, insuring clauses 1, 2, and 3 are extended as follows:

notwithstanding the Bodily Injury and Property Damage exclusion or the Occupational Health and Safety Law exclusion, We will pay on Your behalf:

(1) Defence Costs incurred in defending Claims (other than a civil claim for compensation or damages) first made against You and notified to Us during the Period of Insurance, based upon occupational health and safety law which results from a Wrongful Act; and

(2) Representation Expenses, where the subject matter of the official investigation, examination, inquiry or other proceedings is occupational health and safety law.

Under this extension, Representation Expenses also includes necessary and reasonable costs, charges and expenses (other than regular or overtime wages, salaries, fees or Benefits of the Insured Person) incurred with Our prior consent (not to be unreasonably withheld), in representing and assisting You at a visit from an inspector of a workplace health and safety authority in connection with and following a workplace safety incident, provided that notice of the visit is given to You and is notified to Us during the Period of Insurance.

The cover provided under this extension will only apply to Claims made in the jurisdictions of Australia and New Zealand and pursuant to the laws of Australia or New Zealand (as applicable).

Our total liability under this additional benefit to Insuring Clauses 1, 2 and 3 under this section will not exceed in the aggregate, the Company Occupational Health and Safety Expenses Limit of Liability set out in the Schedule.

If there is an entitlement to payment under the Pollution Expenses additional benefit then there is no entitlement to payment under this additional benefit.

One reinstatement of the errors and omissions Limit of Liability

(1) If the errors and omissions Limit of Liability is fully exhausted by paying loss up to the errors and omissions Limit of Liability, then we will reinstate the full amount of the errors and omissions Limit of Liability.

(2) If the errors and omissions Limit of Liability is partially exhausted by paying Loss, then We will reinstate the amount of Loss paid up to the errors and omissions Limit of Liability, provided that:

a) Our liability for any individual Claim and Related Claims will not exceed the errors and omissions Limit of Liability; and

b) Our aggregate liability under this Policy during the Period of Insurance will not exceed the sum of the errors and omissions Limit of Liability and, if the errors and omissions Limit of Liability is:

i. fully exhausted, one reinstatement of the errors and omissions Limit of Liability; or

ii. partially exhausted, one reinstatement of the Loss up to errors and omissions Limit of Liability; and

iii. there will be no reinstatement of any other Limit of Liability specified in the Policy.

One reinstatement of the management liability Limit of Liability

(1) If the management liability Limit of Liability is fully exhausted by paying Loss up to the management liability Limit of Liability, then We will reinstate the full amount of the management liability Limit of Liability; and

(2) If the management liability Limit of Liability is partially exhausted by paying Loss, then We will reinstate the amount of Loss paid up to the management liability Limit of Liability.

Provided that:

a) Our liability for any individual Claim and Related Claims will not exceed the management liability Limit of Liability; and

b) Our aggregate liability under this Policy during the Period of Insurance will not exceed the sum of the management liability Limit of Liability and, if the management liability Limit of Liability is:

i. fully exhausted, one reinstatement of the management liability Limit of Liability; or

ii. partially exhausted, one reinstatement of the Loss up to management liability Limit of Liability; and

c) there will be no reinstatement of any other Limit of Liability specified in the Policy.

Outside Directorships

Insuring Clauses 1, 2 and 4 are extended to include as an Insured Person a person who, at the written request of the Company was prior to the Period of Insurance, or is during or after the Period of Insurance a Director or Officer of, or occupies a position of equivalent status in, any Non-Profit Outside Entity or Outside Entity.

Any cover afforded by this extension will be specifically in excess of:

(1) any cover; or

(2) any insurance contract specified in the Schedule or by Endorsement,

available from or through the Non-Profit Outside Entity or Outside Entity.

You must notify Us of any insurance contract under which any Insured Person is entitled to an indemnity in respect of an Outside Entity as soon as reasonably practicable, providing full details of such other insurance contract, including the identity of the insurer, the policy number and such further information as We may reasonably require.

We will not be liable under this extension for Loss resulting from any Claim by a Non-Profit Outside Entity or Outside Entity, or any Director or Officer of, or any person of equivalent status in, a Non-Profit Outside Entity or Outside Entity, except for any Claim:

(1) resulting from an Employment Wrongful Act; or

(2) solely for a contribution or indemnity in respect of a Claim which is brought against another Insured Person and is covered under this Policy; or

(3) by that Non-Profit Outside Entity or Outside Entity as a statutory derivative action, but not voluntarily solicited or assisted by that Non-Profit Outside Entity or Outside Entity or by a Director or Officer of, or a person of equivalent status in, that Non-Profit Outside Entity or Outside Entity; or

(4) by a liquidator, administrator or receiver or equivalent in any jurisdiction, but not voluntarily solicited or assisted by that Non- Profit Outside Entity or Outside Entity or by a Director or Officer of, or a person of equivalent status in, that Non-Profit Outside Entity or Outside Entity; or

(5) by a Non-Profit Outside Entity or Outside Entity pursuant to section 50 of the Australian Securities and Investments Commission Act 2001 (Cth).

Pecuniary penalties

Insuring Clauses 1, 2, 4, 5 and 8 are extended to cover, to the extent permitted by law, any pecuniary penalties imposed upon the Insured Persons or Trustees based on Wrongful Acts.

In the event of any conflict between this extension and the Bodily Injury and Property Damage exclusion or the Occupational Health and Safety Law exclusion, this extension shall apply.

In the event of any conflict between this additional benefit and the Pollution exclusion, this extension shall apply, except where Pollution arises directly or indirectly from or in respect of Your liability as owner or operator of any Aircraft, marine craft or motor vehicle of any kind.

The cover provided under this extension will only apply to such pecuniary penalties imposed in the jurisdictions of Australia and New Zealand and pursuant to the laws of Australia or New Zealand (as applicable).

Our total liability under this extension will not exceed in the aggregate, the Pecuniary Penalties Limit of Liability specified in the Schedule.

Pollution Expenses

Subject to the provisions of the Advancement of Defence Costs and Representation Expenses Extension, insuring clauses 1, 2 and 3 are extended as follows:

Notwithstanding the Bodily Injury and Property Damage exclusion, the Occupational Health and Safety Law exclusion or the Pollution exclusion, We will pay:

(1) on Your behalf, Defence Costs incurred in defending Claims (other than a civil claim for compensation or damages) first made against You and notified to Us during the Period of Insurance, based on Pollution which results from a Wrongful Act; and

(2) on behalf of the Insured Persons, Representation Expenses, where the subject matter of the official investigation, examination, inquiry or other proceedings is Pollution.

The cover provided under this extension will only apply to Claims made in the jurisdictions of Australia and New Zealand and pursuant to the laws of Australia or New Zealand (as applicable).

Our total liability under this additional benefit will not exceed in the aggregate, the Pollution Expenses Limit of Liability specified in the Schedule.

Representation Expenses

Insuring Clauses 1, 2, 4, 5 and 8 are extended as follows:

We will pay Representation Expenses on behalf of the Insured Persons or Trustees subject to the provisions of the Advancement of Defence Costs and Representation Expenses additional benefit.

If there is an entitlement to payment under the Occupational Health and Safety Expenses additional benefit or the Pollution Expenses additional benefit, then there is no entitlement to payment under this additional benefit.

Spouses

Insuring Clauses 1, 2, 4, 5 and 8 are extended as follows:

if a Claim against an Insured Person or Trustee includes a claim against such Insured Person's or Trustee's Spouse solely by reason of:

(1) such Spouse's legal status as a Spouse of such Insured Person or Trustee, or

(2) such Spouse's ownership interest in property which the claimant seeks as recovery for Claims made against such Insured Person or Trustee,

then all Loss which such Spouse becomes legally liable to pay resulting from such Claim will be treated for the purposes of this Policy as Loss.

This additional benefit does not apply to the extent the Claim alleges any act, error or omission by such Insured Person's or Trustee's Spouse.

Sub-contractors and consultants

Insuring Clause 8 is extended as follows:

Insuring Clause 8 covers the acts, errors or omissions of sub-contractors and consultants, but only in respect of Your liability for Motor Trades Services Wrongful Acts in the conduct of the Motor Trades Services provided by the sub- contractor or consultant on Your behalf. Cover will not extend to the sub-contractor or consultant who committed the act, error or omission.

Subsidiary runoff cover

Insuring Clauses 1, 2, 3, 4, 5, 6, and 8 are extended as follows:

If a Subsidiary ceases to be a Subsidiary during the Period of Insurance, then this Policy will remain in force in respect of Subsidiary until the expiry of the Period of Insurance as follows:

(1) under insuring clauses 1, 2, 3, 4, 5 and 8, only in respect of Loss resulting from Claims based on Wrongful Acts committed or alleged to have been committed; and

(2) under insuring clause 6, only in respect of Fidelity Loss sustained,

prior to the time such Subsidiary ceases to be a Subsidiary.

There shall be no cover in respect of such Subsidiary under insuring clause 8 for Business Crisis Consultant Fees in responding to a Business Crisis Event occurring after the time such Subsidiary ceases to be a Subsidiary.

Optional Covers

If You have cover under this section, You can choose to add any of the following optional covers to Your Policy. The options that You have chosen to add to Your Policy will be set out in the Schedule.

These optional covers set out below are subject to the terms and conditions of this Policy, unless otherwise stated.

Company pecuniary penalties

Insuring Clauses 3, 4 and 8 under this section are extended to cover, to the extent permitted by law, any pecuniary penalties imposed upon the Company based on Wrongful Acts, except for any pecuniary penalties imposed:

(1) pursuant to any Consumer Protection Act; or

(2) pursuant to any law regulating air, marine or vehicular traffic; or

(3) directly or indirectly as a result of or in connection with a requirement to pay taxes, duties, rates, levies, charges, fees or any other revenue raising measure; or

(4) where the Company knew, or where a reasonable person in the circumstances ought reasonably to have known, prior to the Period of Insurance that the Company had contravened a law and committed an offence pursuant to that law; or

(5) as a result of further Wrongful Acts committed after the Company first knew, or where a reasonable person in the circumstances ought reasonably to have known, that the Company had contravened a law and committed an offence pursuant to that law, and which led to the imposition of increased or additional pecuniary penalties.

The cover provided under this option will only apply to such pecuniary penalties imposed in the jurisdiction of Australia and pursuant to the laws of Australia.

Our total liability under this option will not exceed in the aggregate, the Company Pecuniary Penalties Sub-limit specified in the Schedule, and all payments will be part of and not in addition to the errors and omissions Limit of Liability or management liability Limit of Liability, as applicable.

In the event of any conflict between this optional cover and the Bodily Injury and Property Damage exclusion or the Occupational Health and Safety Law exclusion, this option shall apply.

In the event of any conflict between this option and the Pollution exclusion, this option shall apply, except where Pollution arises directly or indirectly from or in respect of Your liability as owner or operator of any Aircraft, marine craft or Vehicle of any kind.

Exclusions

The following exclusions are applicable to all insuring clauses in this section, unless otherwise stated.

The general exclusions in Part 5 of this Policy Wording also apply.

We will not be liable for:

Asbestos

Loss resulting from Claims or Policy Claims arising directly or indirectly from or in respect of Asbestos.

Benefits

Loss resulting from Claims arising directly or indirectly from or in respect of an actual or alleged violation of the responsibilities, obligations or duties imposed by any law relating to workers compensation, unemployment insurance, retirement benefits, social security or disability benefits.

This exclusion will not apply to insuring clauses 1, 2 or 8.

Bodily Injury and Property Damage

(1) under Insuring Clauses 1, 2, 3, 4 and 5, We will not be liable for Loss resulting from Claims for bodily injury, any form of psychiatric, psychological or mental injury, illness, disease or death of any person, or Damage to or destruction of any tangible property, including any consequent loss of use thereof except that this exclusion will not apply in respect of any actual or alleged psychiatric, psychological or mental injury alleged in any Claim by any Insured Person resulting from any Employment Wrongful Act; and

(2) under Insuring Clause 8, We will not be liable for Loss resulting from Claims arising directly or indirectly from or in respect of:

   a) bodily injury, any form of psychiatric, psychological or mental injury, illness, disease or death of any Insured Person, or Damage to or destruction of any tangible property of any Insured Person, including any consequential loss of use of it, arising out of or in the course of or in respect of his or her employment with You; or

   b) a breach of any obligation owed by any entity forming part of You to another entity forming part of You.

Capital raising

Loss resulting from Claims arising directly or indirectly from or in respect of any offer for the raising of capital by debt or equity, including but not limited to any prospectus.

Dishonest or criminal intent/improper conduct

Loss resulting from Claims against You arising directly or indirectly from or in respect of:

(1) any Wrongful Act committed by You with wilful, reckless, dishonest, fraudulent, malicious or criminal intent; or

(2) You improperly using Your position to gain an advantage for Yourself or someone else or to cause a detriment to the Company; or

(3) You improperly using information obtained as a result of Your position to gain an advantage for Yourself or someone else or to cause a detriment to the Company.

In each case only if established by any admission by You, judgment, or other adjudication.

For the purpose of this exclusion, the fact that You have committed or alleged to have committed the conduct described in (1), or (3) above will not disqualify You from cover.

Fading and mould

under the Lost Documents additional benefit, for Policy Claims for costs and expenses incurred in replacing or restoring lost or Damaged Documents where such Loss or Damage is caused by fading, mould, vermin, pest infestation, wear, tear or any other gradually operating cause.

Industrial relations

Loss resulting from Claims arising directly or indirectly from or in respect of collective industrial or labour relations including but not limited to: strikes; lock-outs; demarcation disputes; negotiating awards or enterprise agreements; collective redundancies; obligations to consult representatives and Employees in relation to redundancies and other actions that arise; other than Claims based on an individual employment relationship.

This exclusion will not apply to insuring clauses 1 or 2.

Insolvency

(1) Loss resulting from Claims; or

(2) Business Crisis Consultant Fees,

arising directly or indirectly from or in respect of the insolvency (whether actual, deemed or otherwise) of the Company including but not limited to:

a) the aforementioned companies continuing to trade whilst insolvent;

b) the failure of the Company to enter into voluntary administration as and when the Insured Persons knew or reasonably ought to have known that the Company was insolvent or likely to become insolvent;

c) the incurring of debt by the Company when the Company was insolvent or became insolvent by incurring that debt, or by incurring at that time debts including that debt;

d) the failure of the Company to meet its financial commitments as and when they fall due;

e) any breach by any Insured Persons of any duty (whether imposed by common law, statute or by reason of the Insured Person being a fiduciary or otherwise) in allowing the Company to become insolvent;

f) any omission or decision made or course of action taken by any Insured Person that results in the Company becoming insolvent or continuing to trade whilst insolvent;

g) any representation made by an Insured Person as to the solvency or future prospects of the Company at a time when the Company was insolvent or likely to become insolvent;

h) the Company entering into a transaction that is voidable; or

i) the appointment of a liquidator or receiver.

Insured v Insured

Loss, other than Defence Costs, resulting from any Claim by the Company except for any Claim:

(1) by the Company as a statutory derivative action, but not voluntarily solicited or assisted by the Company or an Insured Person;

(2) by a liquidator, administrator, or receiver or equivalent in any jurisdiction, but not voluntarily solicited or assisted by an Insured Person; or

(3) by the Company pursuant to section 50 of the Australian Securities and Investments Commission Act 2001.

Known claims and circumstances

Loss resulting from Claims arising directly or indirectly from or in respect of any fact, event, circumstance or Wrongful Act:

(1) known to You at the inception of this Policy and which a reasonable person in the circumstances would have thought might give rise to a Claim; or

(2) which has been or should reasonably have been the subject of any written notice given under any Policy of which this Policy is a direct or indirect renewal or replacement; or

(3) alleged in, Discovered in, relating to or underlying any Claim made against You prior to the inception of this Policy.

Major shareholder

Loss resulting from Claims (whether in the name of the Company or not) by any shareholder having direct or indirect Control of the Company.

Motor, marine, Aircraft

Loss resulting from Claims that are claims for compensation or damages arising directly or indirectly from or in respect of Your liability as owner or operator of any Aircraft, Watercraft or Vehicle of any kind.

Occupational Health and Safety Law

Loss resulting from Claims arising directly or indirectly from or in respect of any breach of occupational health and safety law.

Occupiers liability

Loss resulting from Claims that are claims for compensation or damages arising directly or indirectly from or in respect of the actual or alleged occupation of land or Buildings by You.

Pollution

Loss resulting from Claims arising directly or indirectly from or in respect of Pollution including without limitation any Claim for financial Loss to the Company arising directly or indirectly from Pollution. This exclusion will not apply in relation to the cover provided under the Additional Benefit – Pollution Expenses.

Product liability and product recall

Loss resulting from Claims arising directly or indirectly from or in respect of:

(1) Your manufacture, distribution and/or sale of products; or

(2) the recall of any products manufactured, distributed or sold by You.

Professional services

Loss resulting from Claims arising directly or indirectly from or in respect of:

(1) any breach of duty in respect of any professional services or professional advice by You; or

(2) any breach of any contract for the provision of professional services or professional advice by You, except that these exclusions will not apply:

a) under insuring clauses 1, 2 or 5 in respect of any actual or alleged professional services or professional advice which is provided by an Insured Person when acting solely in their capacity as an Insured Person, or as a Trustee and in circumstances where such professional services or professional advice is provided to You and not to third parties in the course of the Company's professional Business; or

b) under insuring clause 8, to professional services or professional advice to the extent that they are included within Motor Trades Services.

Additional Exclusions – Insuring clause 3

The following additional exclusions are applicable to insuring clause 3.

We will not be liable for:

Contractual liability

Loss resulting from Claims arising directly or indirectly from or in respect of any actual or alleged breach of any term of any contract, whether express or implied.

Intellectual property rights

Loss resulting from Claims arising directly or indirectly from or in respect of any alleged or actual breach of any other party's intellectual property rights, or infringement or violation of any trade secret.

Privacy rights

Loss resulting from Claims arising directly or indirectly from or in respect of any alleged or actual breach of any other party's privacy rights as determined under the Privacy Act.

Restrictive trade practices

Loss resulting from Claims arising directly or indirectly from or in respect of any alleged or actual restrictive trade practices, including but not limited to, the restrictive trade practices provisions (Part IV) of the Competition and Consumer Act 2010 (Cth) or similar legislation in other jurisdictions, or tortious interference with any other party's business or contractual relationships.

Superannuation Funds

Loss resulting from Claims arising directly or indirectly from or in respect of any alleged or actual Wrongful Act in connection with any Superannuation Fund.

Additional Exclusions – Insuring Clause 4

The following additional exclusions are applicable to insuring clause 4.

We will not be liable for:

Employee entitlements

Loss payable for, or in respect of, or calculated by reference to, where any such award has not been made:

(1) salary or wages earned prior to the date of termination;

(2) Benefits;

(3) any amount not indemnified by the Company for which You are absolved for payment by reason of any covenant, agreement or court order; or

(4) payment for time in lieu of notice, severance or redundancy.

Injunctive relief or accommodation

Loss payable for, or in respect of, or calculated by reference to:

(1) the cost of complying with any injunctive or other non-monetary relief or any agreement to provide any such relief; or

(2) costs incurred by You to make any accommodation in respect of working practices or otherwise on the basis of a person's disability or family responsibilities or as may be required under any law relating anti-discrimination.

In the event of an inconsistency between this exclusion and the definition of Claim, the provisions of this exclusion shall prevail.

Liability of others

Loss resulting from Claims arising directly or indirectly from or in respect of the liability of others assumed by You under any contract or agreement unless such liability would have attached in the absence of such contract or agreement.

Specified period employment contract

(1) Loss, other than Defence Costs and claimant's costs and expenses, resulting from Claims arising directly or indirectly from or in respect of a breach of a specified period employment contract; and

(2) Defence Costs and claimant's costs and expenses resulting from Claims arising directly or indirectly from or in respect of a breach of a specified period employment contract:

a) unless and until You have received legal advice based on the facts as they existed as at time of the actual or alleged breach from a legal adviser stating that You have reasonable legal grounds to amend or terminate such specified period employment contract; and

b) provided that You have not received legal advice from a legal adviser stating that You do not have reasonable legal grounds to terminate specified period employment contract.

For the purposes of this exclusion, a specified period employment contract will be a specified period employment contract irrespective of whether or not such contract provides for a qualified or unqualified right to terminate the contract on notice prior to its expiry date.

Unfair employment contract

Loss resulting from Claims arising directly or indirectly from or in respect of:

(1) contract of employment alleged to be unfair; or

(2) the seeking of relief pursuant to section 106 of the Industrial Relations Act 1996 (NSW) or section 276 of the Industrial Relations Act (Qld) or similar legislation in other jurisdictions.

Additional Exclusions – Insuring Clause 6

The following additional exclusions are applicable to insuring clause 6.

We will not be liable for:

Confidential information

Loss arising directly or indirectly from or in respect of the accessing or disclosure of any confidential information, including but not limited to trade secret information, computer programs, confidential processing methods or other confidential information of any kind except where such accessing or disclosure enables the commission of any act otherwise covered under insuring clause 6.

Damage to Premises

Loss arising directly or indirectly from or in respect of Damage or destruction to Your Premises.

Discovery outside the Period of Insurance

Loss first Discovered:

(1) prior to the commencement of the Period of Insurance; or

(2) after the expiry of the Period of Insurance, except as provided under the Additional Benefit – Extended Reporting Period where this benefit has been purchased by You.

Dishonesty or Fraud of Director or Employee shareholder

Loss arising directly or indirectly from or in respect of any dishonest or fraudulent act committed by:

(1) a Director or Trustee;

(2) an Employee acting in collusion with a Director or Trustee; or

(3) an Employee having at the time of the Discovery of the dishonest or fraudulent act more than five per cent Control of or interest in the Company.

Indirect or consequential loss

indirect or consequential loss of any kind (including but not limited to loss of income, potential income, interest, profits or dividends, whether or not earned or accrued). This exclusion does not apply to Securities.

Loss of records

Loss of or damage to records, manuscripts, accounts, microfilms, tapes or other records or the cost of reproducing any information contained in such lost or damaged records.

Loss sustained after Discovery

Loss, or that part of any Fidelity Loss, caused by an Employee, which is sustained after Discovery of any dishonest or fraudulent act committed by such Employee.

Profit and Loss computation and inventory comparison

Loss, or that part of any Fidelity Loss, the proof of which is dependent solely upon:

(1) a profit and loss computation or comparison; or

(2) a comparison of inventory records with an actual physical count,

provided that where the Company establishes wholly apart from such computation or comparison that it has sustained Fidelity Loss caused by an identified Employee, then it may offer its inventory records and actual physical count of inventory in support of the amount of Fidelity Loss claimed.

Retroactive date

Loss sustained prior to the retroactive date specified in the Schedule, or the date since the Company has continuously held uninterrupted fidelity cover, whichever is the earlier.

Territory

Loss arising directly or indirectly from or in respect of any dishonest or fraudulent act committed in whole or part outside of Australia or New Zealand.

Trading Loss

Loss arising directly or indirectly from or in respect of any authorised or unauthorised trading in Money, Securities or Covered Property by an Employee, whether acting alone or in collusion with any other person and whether or not such trading is in the name of the Company and whether or not such trading is in a genuine or fictitious account.

Additional Exclusions – Insuring Clause 8

The following additional exclusions are applicable to insuring clause 8.

We will not be liable for:

Assumed liability

(1) Loss arising directly or indirectly from or in respect of any liability assumed by You under any express warranty, guarantee, hold harmless agreement, indemnity clause or the like unless such liability would have attached to Us in the absence of such agreement. Provided that this exclusion will not apply to contracts involving the purchase, sale or supply of Products or services in connection with the Motor Trades Services; and

(2) Loss arising directly or indirectly from or in respect of any liability assumed by You outside the normal course of the Motor Trades Services.

Conflict of interest

Loss arising directly or indirectly from, or in respect of, any Conflict of Interest in connection with the provision of the Motor Trades Services which You have failed to disclose to the Company.

Defective workmanship

Loss arising directly or indirectly from or in respect of the rectification of defective or faulty workmanship or the replacement of defective or faulty Vehicles or other goods or services sold or supplied by You in connection with the Motor Trades Services.

Advice about Vehicles

Loss arising directly or indirectly from or in respect of providing any advice, recommendation or opinion in relation to the suitability or performance of any Vehicle other than written advice provided in response to a request by a customer.

Financial Product and Services

Loss arising directly or indirectly from or in respect of providing:

(1) Financial Product Advice, Issuing, Dealing or arranging for others to deal in financial products; or

(2) a Financial Service,

other than directly in connection with Motor Trades Services.

For the purposes of this exclusion, "financial product advice", "issuing", "dealing", "financial product" and "financial service" have the meaning set out in Chapter 7 of the Corporations Act 2001 (Cth).

Related parties or financial interests

Loss by:

(1) You;

(2) any entity that is a Subsidiary or parent of You;

(3) any entity of which You have or have held at least a 20% financial interest at the time the Claim is made and have had or have board representation on that entity; or

(4) members of Your family, which means the estates, heirs, legal representatives, assigns or relatives (whether related by consanguinity or affinity) or trustees or beneficiaries of any trust created or maintained by or for the benefit of such individuals.

Trading debts

Loss arising directly or indirectly from or in respect of any liability for any trading debt incurred, or any guarantee in respect of such debt given, by You.

To the extent permitted by law, this section applies in excess of, and does not cover any Claim or Policy Claim covered under, a Specified Policy.

Excess

You are liable for the amount of Loss that is equal to the Excess for each:

(1) Claim; and

(2) Policy Claim.

The Excess is deducted from Loss payable before the application of the Limit of Liability. We have no liability for the amount of Loss up to the Excess.

You agree that the Excess specified in the Schedule must be retained by You.

If You comprise of more than one entity, the management liability Limit of Liability and errors and omissions Excess applies to the group of such entities as a whole.

The Excess will not apply to the Fraud Investigator Expenses additional benefit, the Lost Documents additional benefit, Business Crisis Consultant Fees or any Loss directly payable by You if You are a natural person.

Other exclusions also apply under the Policy terms. See for example, "General Exclusions".

Claims Conditions

The following only apply to the extent relevant and subject to applicable law which may restrict Our rights in certain circumstances. For more detail on these restrictions see "When We Can Refuse to Pay or Reduce the Amount We Pay Under a Claim".

The following claims conditions are applicable to this section of the Policy:

Notification

the Insured must give Us notification of any Claim made against You, Discovery of any Fidelity Loss, any Business Crisis Event or any Loss, as soon as reasonably practicable within the Period of Insurance or within any applicable extended reporting period at the claims notification address or email address specified in the Schedule.

Each notification of a Claim or Policy Claim must include so far as practicable:

(1) the identity of the claimant or potential claimant;

(2) the nature of the Claim or Policy Claim; and

(3) the likely quantum of the Loss, Fidelity Loss or Business Crisis Consultant Fees, as the case may be.

Each notification of a Claim or Policy Claim must include affirmative proof duly sworn, with full details of the Money, Securities or Covered Property involved.

The Insured must provide Us with such further relevant information and documentation as We may reasonably require in relation to any Claim or Policy Claim, including in relation to any precontractual disclosures or representations.

Co-operation

in the event of a Claim, Policy Claim, Business Crisis Event or Loss, You will at all times and at Your own cost provide Us with all relevant information, evidence, documentation, assistance and co-operation as we may reasonably require as soon as reasonably practicable and will execute such documents, including signed statements and affidavits, which We reasonably request.

We will at all times and at our own cost use reasonable endeavours to do and concur in doing everything as soon as reasonably practicable to avoid or diminish Loss and to assist with the defence, investigation or settlement of any Claim, Policy Claim or Business Crisis Event.

We may make any investigation We deem reasonably necessary in relation to any Claim or Policy Claim.

Claims conduct

We are entitled to take over and conduct in Your name the defence or settlement of any Claim and will have full discretion in the conduct of any proceedings and in the settlement of any Claim.

We will act reasonably having regard to Your interests and will keep You informed if You ask Us to.

We reserve entirely Our rights under this Policy, including Our right to agree or deny cover while We assess a Claim or conduct the defence. Our rights under this Policy are not affected if We do not conduct the defence.

Neither You nor Us will be required to contest or litigate any Claim if, in the opinion of Senior Counsel, reasonable attempts should be made to settle the Claim. The Senior Counsel shall be mutually agreed upon, or in the absence of such agreement, as nominated by the President of the New South Wales Bar Association. The cost to obtain the opinion will be advanced by Us and treated as Defence Costs.

Senior Counsel shall provide the opinion in writing. In formulating the opinion, Senior Counsel shall consider commercial matters including the amount of the Claim, the actual and potential loss (including Defence Costs) that may reasonably be incurred in contesting the Claim, the liability prospects and the prospect of recovering costs against the claimant in the event that the defence is successful. Senior Counsel shall also provide a settlement range within which reasonable attempts should be made to settle the Claim.

If it is the opinion of Senior Counsel that reasonable attempts should be made to settle the Claim, You shall not object to Our attempt to do so.

Settlement

You must not settle or offer to settle any Claim, incur any Defence Costs, or Representation Expenses or otherwise assume any contractual obligation or admit any liability in respect of any Claim without our prior written consent.

If You object to a proposal by Us to settle or compromise any Claim payable under this Policy and wish to contest or litigate the matter, then You must tell Us in writing as soon as reasonably practicable, but no later than 30 days. However, Our liability in respect of any such Claim so contested or litigated will not exceed the amount for which, but for such election, it could have been settled or compromised by Us, together with Defence Costs payable in accordance with the terms of this Policy and incurred up to the time of such election.

Basis of valuation of Fidelity Loss

Securities

In respect of Fidelity Loss of Securities, We will not be liable for more than the actual market value of the Securities at the close of business on the business day immediately preceding the day on which the Fidelity Loss was Discovered or the actual cost of replacing the Securities, whichever is less, plus the cost of posting any required lost instrument bond (which cost will be paid by Us on Your behalf).

The Indirect or Consequential Loss exclusion does not apply to the calculation of Fidelity Loss of Securities.

Covered Property

In respect of Fidelity Loss of Covered Property, We will not be liable for more than the Actual Cash Value of Covered Property at the time of Fidelity Loss or the actual cost of repairing or replacing the Covered Property with property of similar quality or value whichever is the lesser.

Allocation of Loss

this claims condition applies to any part of any Loss resulting from a Claim which is in respect of:

(1) You singly;

(2) You, jointly or severally; or

(3) You, singly, jointly or severally and one or more persons or entities who is or are not You, whether jointly or severally,

and which is partly covered and partly not covered under this Policy, (together "Loss to be Allocated").

You must determine a fair and reasonable allocation of the covered part of the Loss to be allocated among the relevant parties forming part of You.

Any allocation of Loss will not apply to or create a presumption with respect to the allocation of other Loss on account of such Claim.

Subrogation and recoveries

Preservation of rights of recovery

You will take all reasonable steps to preserve Your rights of recovery. You will not, without Our prior consent in writing:

(1) release, agree not to sue on, waive or prejudice, any such rights; or

(2) enter into any arrangement or compromise or do any act whereby any rights or remedies to which We would be subrogated are or may be prejudiced.

Provision of information and assistance

You agree to provide Us with all relevant information, evidence, documentation, assistance and co-operation and to execute such documents, including signed statements and affidavits as soon as reasonably practicable, which We reasonably request in the exercise of Our rights of recovery.

You will at all times take reasonable steps and provide reasonable assistance to Us in order to assist Us in the exercise of Our rights of recovery.

Fidelity recoveries

In the event of any payment in respect of a Policy Claim:

(1) the Company must, if requested by Us, take all reasonable steps to make recovery from any person committing or condoning the dishonest or fraudulent act or from the legal representatives of such person; and

(2) to the extent allowed by law, We will deduct the following from any amount payable in respect of Fidelity Loss caused by or resulting from a dishonest or fraudulent act:

   a) any monies which but for such dishonest or fraudulent act would be due from the Company to the person committing or condoning such act;

   b) any monies held by the Company and belonging to such person; and

   c) any monies recovered under 1. above.

All such monies will be applied towards reducing the amount of the Loss.

All recoveries

All recoveries obtained by Us from other parties will be allocated, after the settlement of any Claim or Policy Claim under this Policy as follows:

(1) firstly, to Your benefit to reduce or extinguish the amount of Your Loss to the extent that it would have been paid under this Policy but for the fact that such Loss exceeds the management liability Limit of Liability, errors and omissions Limit of Liability or the applicable sub-section as the case may be and the Excess where applicable; and

(2) secondly, to Our benefit for all sums paid in settlement of Loss or Policy Claim arising under this section of the Policy; and

(3) thirdly, to Your benefit.

All recoveries will be applied as herein only after deduction of the reasonable cost of obtaining such recovery. All recoveries made prior to settlement of any Claim or Policy Claim under this Policy will be held for Our benefit and applied as stated herein after settlement if any is made.

Recoveries do not include any amount recovered from insurance, suretyship, reinsurance, security or indemnity taken for Our benefit.

Conditions Applying to Section 9

The following only apply to the extent relevant and subject to applicable law which may restrict Our rights in certain circumstances. For more detail on these restrictions see "When We Can Refuse to Pay or Reduce the Amount We Pay Under a Claim".

Acquisition, Merger or winding up of Company

If, during the Period of Insurance, any of the following events occur:

(1) a Merger or Acquisition of the Company; or

(2) the appointment of a receiver, controller, administrator or liquidator to the Company or, the commencement of a scheme of arrangement or compromise or a winding up process in respect of the Company,

then this Policy will remain in force until the expiry of the Period of Insurance:

(3) under insuring clauses 1, 2, 3, 4, 5 and 8 only in respect of Loss resulting from Claims based on Wrongful Acts committed or alleged to have been committed; or

(4) under insuring clause 6 only in respect of Fidelity Loss sustained,

prior to the events described in (1) or (2) above.

There shall be no cover under insuring clause 7 for Business Crisis Consultant Fees in responding to a Business Crisis Event occurring as a result of, or after, the events described in (1) or (2) above.

Authorisation

The Named Insured is the agent for You and You are bound by any statement, act or omission of the Named Insured for all purposes under this Policy, subject to the Claims Conduct claims condition and the Disclosure and the Severability and Imputation general condition.

If the Named Insured is more than one entity, then the first entity listed in the Schedule will be deemed to be the Named Insured.

Company failure to indemnify

Where insuring clause 2 applies and the Company is in liquidation (other than voluntary liquidation) and has insufficient funds available to indemnify the Insured Persons for Loss as agreed, then the Excess applicable to the Company specified in the Schedule is not payable to Us.

Confidentiality

You must not disclose the existence or terms of this section, including without limitation the Limit of Liability, the nature of the insurance or the Premium payable under this section to any person who is not You except where:

(1) You are required by law or stock exchange rules to do so; or

(2) We provide Our prior written consent to such disclosure (such consent not to be unreasonably withheld).

Other conditions also apply under the Policy terms. See for example, "General Conditions Applying to All Sections".

General Conditions Applying to All Sections

The following only apply to the extent relevant and subject to applicable law which may restrict Our rights in certain circumstances. For more detail on these restrictions see "When We Can Refuse to Pay or Reduce the Amount We Pay Under a Claim".

The following conditions apply to all sections of this Policy. A reference to "You" or "Your" is to the Insured. Refer to "Third Party Interests" for details of how these conditions affect such persons:

Cancellation

Cancellation by You

You may cancel the Policy at any time by contacting Us in writing at the address shown in About SURA Motor Dealers. Cancellation will take effect from 4:00pm on the day We receive Your notice of cancellation or such other time otherwise agreed between Us and You.

Cancellation by Us

Subject to applicable law, 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 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 some other insurer) that provided insurance cover during any part of the period during which the Policy provides insurance cover;
v. You failed to notify Us of any specific act or omission or failure that has occurred after the Policy is entered into where notification is required under the terms of the Policy; or
vi. the effect of the Policy is to authorise Us to refuse to pay a claim, either in whole or in part, by reason of an act or omission or failure of You or of some other person and, after the Policy was entered into, such an act or omission or failure has occurred.

When We cancel the policy, it will have effect from whichever of the following times is the earliest (unless We tell You otherwise in Our cancellation notice and subject to applicable law):

i. the time when another policy of insurance replacing the Policy is entered into by You with Us or another insurer; or
ii. 4:00pm of the third (3rd) business day after the day on which notice was given to You unless specified otherwise or the Policy is in force because of section 58 of the Insurance Contracts Act 1984 (Cth), in which case the cancellation will have effect from 4:00pm on the fourteenth (14th) business day after the day on which notice was given to You.

Effect of cancellation

Subject to applicable law, the Policy with Us ends from the time of cancellation. However, cancellation by Us or You does not affect any rights that You had under the Policy when it was in force. For Your rights to any premium refund in relation to a cancellation see "Premium refund" section.

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.

Claims Notice

Any Occurrence or Event which might give rise to a claim under the Policy must be reported to Us in writing as soon as reasonably possible and, as far as is reasonably practicable, no alteration or repair may be carried out by You until We have had the opportunity of inspecting, unless such alteration or repair is necessary to either prevent or minimise any additional Property Damage or Personal Injury.

You must give notice of any impending prosecution, inquest, inquiry or civil proceeding in connection with the Occurrence or Event and send every relevant document as soon as reasonably practicable.

Claims Conduct

No admission of liability or offer, promise or payment may be made without Our prior written consent (such consent not to be unreasonably withheld).

We are entitled at Our discretion (reasonably exercised) to take over and conduct in Your name the defence or settlement of any claim and to prosecute, at Our expense and for Our benefit, any claim of indemnity or damages against any other persons and You shall give all relevant information and assistance reasonably required.

Cross Liability

The inclusion of more than one person or organisation as You under this Policy does not in any way affect the rights of any such person or organisation either in respect of any claim, demand, suit or judgment made or in favour of such other person or organisation or otherwise it being the intent of the Policy to protect such person or organisation, however this does not operate to increase the Limit of Liability.

Material Changes

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

(1) any information contained in the Schedule;

(2) 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:

(1) 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

(2) increases the risk We insure You for We may:

a) refuse to accept the change;

b) 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

c) cancel the Policy; or

d) choose not to renew the Policy.

Property Inspection

We may at any reasonable time and place You and We agree to, inspect Your property or property which You occupy or are responsible for, for the purpose of conducting a risk survey or in the event of a claim.

Statutory Requirements

You must take reasonable steps to comply with all statutory requirements.

Subrogation

You shall at Our request (reasonably exercised) and expense do and concur in doing and permit to be done all such acts and things as may be necessary and reasonably required by Us for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which We are entitled or subrogated, upon the other parties paying for or making good any loss under the Policy, whether such act and things shall be or become necessary before or after coverage by Us.

Severability and Imputation

For the purposes of this Policy, any knowledge or information possessed by any past, present or future chief executive officer, chief operating officer, chief financial officer, chief legal officer (or similar positions) or chairman of the board of Directors shall be imputed to the Company.

The Proposal made to Us prior to entering into this Policy shall be construed as separate applications for cover by the Company and each Insured Person and, except as provided for above, no information provided by or representation made by one, shall be imputed to another.

No breach of this Policy or knowledge or information possessed by the Company or any Insured Person shall be imputed to another except as provided for above.

SURA Motor Dealers acts as an agent for Certain Underwriters at Lloyd's and is authorised to arrange, enter into/bind and administer this insurance on their behalf.

SURA Motor Dealers is a trading name of SURA Pty Ltd
ABN 36 115 672 350
AFSL 294313.

Thank you for receiving this document electronically.
SURA Motor Dealers supports positive initiatives for our environment.

SURA MOTOR DEALERS

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