

OneBusiness Pack

Combined Product Disclosure Statement (PDS) and
Financial Services Guide (FSG)



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PRODUCT DISCLOSURE STATEMENT (PDS)

Date prepared: 25 October 2022

General information

This PDS contains important information You need to know when considering Clover OneBusiness Pack. Please read it carefully before purchasing this insurance and store it in a safe place for future reference.

About Clover

Clover Insurance Pty Limited ABN 19 653 550 371, AFSL 538528 (Clover) is an underwriting agency that has developed this Clover OneBusiness Pack policy.

Clover has an authority from the insurer (see below) to arrange, enter into/bind and administer Clover OneBusiness Insurance (including handling and settling claims).

About RAC Insurance

This insurance is underwritten by RAC Insurance Pty Ltd ABN 59 094 685 882, AFSL 231222 (RAC Insurance), which is a wholly owned subsidiary of the Royal Automobile Club of WA Inc. and is an authorised general insurance company, regulated by the Australian Prudential Regulation Authority.

General advice warning

Any advice about Clover OneBusiness Pack that We give You is of a general nature. We do not take into account Your individual objectives, financial situation or needs. It is up to You to choose the cover You need and You should carefully read this PDS and any other documents that form part of the Policy before deciding to purchase Clover OneBusiness Pack.

Words with Special Meanings

There are words with special meanings when that word starts with a capital letter in this document. See the Definitions section on page 44 and each section of cover for words that have a specific meaning when used in a Policy section.

Clover OneBusiness Pack – Summary of Benefits

Please note the following is a limited summary only and not a full description of the covers that You can apply for. Each cover noted is subject to terms, conditions, exclusions and limitations that are not listed in the summary. You need to read the cover sections and the Policy to properly understand the cover provided.

When You purchase a Clover OneBusiness Pack Policy, You will only be covered under the cover sections which are shown as being Insured in the Policy Schedule.

In some circumstances You may be required to take out cover under a specific section of the policy in order to be eligible for any other cover under the policy. Similarly, You may only be eligible to take out cover under a particular section of the policy if You are also covered under another section of the policy. These eligibility criteria are subject to change from time to time and We will advise You of any criteria that may apply at the time of application.

Section	Summary of cover (See the relevant sections for details, relevant limits, and specific conditions and exclusions that apply)
Business Building and Contents	This section covers accidental loss of, or damage to, the Business Buildings, Contents or Stock caused by an insured event which occurs during the Period of Insurance. A number of extra benefits are also provided.
Business Interruption	This section covers the shortfall in Your Gross Profit if Your Business is interrupted by damage covered under the 'Business Building and Contents', 'Theft, Money and Glass' or 'Portable Business Contents' sections during the Period of Insurance. A number of extra benefits are also provided.
Theft, Money and Glass	This section covers: 1. loss or damage to Your Contents caused by theft or attempted theft; 2. loss of Business Money; and 3. damage to or broken glass at Your Location, which occurs during the period of insurance. A number of extra benefits are also provided.
Business Liability	This section covers Your legal liability to pay compensation awarded against You for Personal Injury, Property Damage or Advertising Liability which happens during the Period of Insurance and is caused by an Occurrence in connection with the Business.
Portable Business Contents	This section covers You for accidental loss or damage during the Period of Insurance to items specified in the Policy Schedule anywhere in Australia.
Equipment Breakdown	This section covers You for Breakdown to Your machinery or items of electronic equipment that occurs at the Location during the Period of Insurance. A number of extra benefits are also provided. You can also apply for Optional Covers (subject to acceptance by Us) for: <ul style="list-style-type: none"> • Increased cost of working; • Deterioration of Stock in cold storage; or • Electronic Data and Electronic Data media.

How We send Policy documents

We will send Policy documents and related communications to Your nominated insurance broker (unless You tell Us otherwise) electronically, including by email. So, to make sure We can always stay in touch, You'll need to keep Your broker updated with Your current address, email address and Australian mobile phone number.

You'll be deemed to have received each electronic communication 24 hours from the time We send it. Any questions? Just let Your insurance broker know. If You prefer, You can request to receive Policy and related documents by post, simply inform Your insurance broker if this is the case.

How the premium is calculated

Where We have agreed to issue cover, We do so in return for the Insured paying or agreeing to pay Us the premium which is the amount that We determine covers Our risk, associated costs and any government charges like Stamp Duty and GST. When We issue a Clover OneBusiness Pack Policy, the total premium, associated costs and any relevant government charges will be displayed on the Policy Schedule. If the Policy is changed in any way, the Insured may need to pay an additional premium or may be entitled to a refund of part of the premium.

In order to calculate the premium, We take a number of factors into consideration which may include (amongst other things):

- the nature of the Business – the higher risk of the Business, the higher the premium will be;
- the sections of cover the Insured applies for - the more sections of cover, the higher the premium will be;
- the Limit of Liability chosen - the higher the Limit of Liability, the higher the premium;
- the excess level chosen - the lower the excess, the higher the premium will be; and
- any other optional covers You choose – optional covers attract an additional premium.

These factors may vary depending on the cover selected and Our underwriting criteria. You can ask Us for more information at any time.

The premium will be shown on the quotation before the Insured enters into a Policy with Us and on the Policy Schedule if they proceed to purchase this insurance.

Paying the premium

We will tell the Insured how much premium they have to pay and how much time they have for payment.

The Insured must pay the premium by the due date. Failure to pay the premium owing by the due date may allow Us to cancel the Policy as specified in the Important Information section under the heading 'Cancelling the Policy'.

For renewal policies, if the Insured does not pay the premium by the due date, then the renewal policy will not come into effect and cover will end at the expiry of the previous Period of Insurance.

We may deduct any outstanding premium amount or incorrectly refunded premium, from any claim payment.

Paying the premium by direct debit

The Insured can choose to pay the premium annually or by monthly instalments direct debited from their nominated bank account or credit card.

If the Insured chooses to pay by direct debit, they authorise Us to arrange for funds to be debited from Your account or credit card for the agreed premium.

If the scheduled debit date shown on the Policy Schedule is a public holiday, We will debit the account or credit card on the first available day.

We will give the Insured at least 14 days' notice if We change the way the direct debit works.

The Insured needs to make sure the nominated account or credit card details are correct and have sufficient and clear funds available in Your account to allow Our scheduled debit. If not, the Insured will be responsible for any fees or charges by their financial institution. If the nominated account details change, the Insured must tell their Broker at least 7 days before the next instalment is due.

If the Insured pays the premium by direct debit and We offer to renew the Policy, We will automatically renew the policy from the renewal date shown on the renewal notice unless We advise otherwise, the policy has otherwise ended or the Insured asks Us not to renew the Policy. You can opt out of the automatic renewal process at any time by contacting Your Broker.

What happens if a direct debit fails?

If the Insured has chosen to pay the premium by direct debit instalments and an instalment remains unpaid for one month or more, We may cancel the Policy or refuse to pay a claim under the Policy arising from an event that occurs after the due date of the instalment.

Renewing the Policy

This PDS (together with any amendments, updates or endorsements that We give the Insured 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 the Insured otherwise or issue the Insured with a new and updated PDS.

If We offer to renew the Policy, We will send the Insured a renewal offer. If the Insured makes any changes to the renewal offer after We send it, and We agree to those changes, We will send the Insured an updated Policy Schedule and advise the Insured of any additional premium that may apply.

The Business Building and Contents limits of Limit of Liability will be automatically adjusted at renewal (if renewal is offered) to take into account various factors including inflation. Remember to check that the Policy and Limits of Liability are appropriate for You at each renewal date and contact Us if You need to make any changes to the Policy.

Excess

If You make a claim under the Policy, You may be required to pay one or more excesses. The descriptions of any excess and the circumstances in which the excess is applied are explained in this PDS, the Policy Schedule and other documents forming the part of the Policy.

The amount of any excess(es) applicable to the Policy will be provided to the Insured before they agree to enter into a Policy with Us.

Your duty to take reasonable care not to make a misrepresentation

This insurance is a consumer insurance contract.

Before We agree to insure You (including when We issue You with the insurance for the first time or agree to renew, extend, vary, reinstate or replace it), the Insured has a duty to take reasonable care not to make a misrepresentation to Us.

When answering any questions We ask, the Insured needs to answer them honestly and accurately and to the best of their knowledge. If the Insured does not take reasonable care not to make a misrepresentation, or if they are careless in their answers or recklessly or deliberately make a misrepresentation, the Policy may be cancelled, or treated as if it never existed and/or Your claim may be rejected or not paid in full. Whether or not the Insured has taken reasonable care not to make a misrepresentation is to be determined with regard to all relevant circumstances.

Remember the Insured is answering the questions for the Insured and anyone else who will be insured under the Policy. If the Insured answers or makes a representation for another person who is insured, We will treat their answers or representation as theirs.

This duty applies until We insure You.

Misrepresentations

Under the Insurance Contracts Act 1984 (Cth) if the Insured makes a misrepresentation to Us before the contract is entered into (this includes on renewal, extension, variation, replacement or reinstatement of an insurance contract), to the extent permitted by law, We may reject or not fully pay Your claim. We may also, or as an alternative, cancel the insurance, or if the misrepresentation was fraudulent, treat it as if it never existed.

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 the Insured failed to answer a question or gave an obviously incomplete or irrelevant answer to a question.

When We can refuse to pay or reduce the amount We pay under a claim

We may refuse to pay or reduce the amount We pay under a claim to the extent permitted by law.

The situations in which We may refuse to pay or reduce the amount We pay under a claim under the Policy include (but are not limited to):

- when the Insured applies for cover (this includes new business, variations, extensions, reinstatements and renewals) and does not comply with their obligations regarding pre contractual disclosures and representations to Us under the Insurance Contracts Act 1984 (Cth) (including where applicable the duty to take reasonable care not to make a misrepresentation – see Your duty to take reasonable care not to make a misrepresentation above); or
- if You do not comply with or meet a term or condition (including where an exclusion applies or other limitation) of the Policy (All referred to as “terms” when used in this clause) – See “If You do not comply with or meet any Policy term” below for more detail; or
- if You make a fraudulent claim – See “Fraudulent Claims” below; or
- 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” below.

The amount of any claim entitlement can also be affected and/or reduced by any limits (including any time limits) or excess(es) that apply and recoveries You or We might make relevant to a loss.

If You do not comply with or meet any Policy term

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 law (including Our right to refuse or reduce a claim noted above). We provide some key examples below. 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;
- You prove no part of the loss that gave rise to the claim was caused by the act, or
- 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;
- 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, We may not refuse to pay the claim, so far as it concerns that part of the loss 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, or
- 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.

Fraudulent Claims

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

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

We may refuse payment of the claim to the extent permitted by 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

- 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.
- 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 extent enforceable

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

Our contract with the Insured

Where We agree to enter into a Policy with the Insured it is a contract of insurance between Us and the Insured.

If We issue the Insured a Policy, they will be given a Policy Schedule. The Policy Schedule sets out certain additional terms applicable to the Policy and other matters specific to the Policy such as the cover(s) issued, Period of Insurance, sums insured, Limits of Liability and excesses.

The Policy Schedule must be read together with this PDS and any other documents We issue the Insured that form part of the Policy. Any new or replacement Policy Schedule We may send the Insured detailing changes to the Policy, will become the current Policy Schedule, which the Insured should carefully read and retain.

Where We agree, documents other than this PDS and the Policy Schedule will form part of the Policy (often called endorsements), any such documents will be dated and will include a statement identifying them as part of the Policy.

Together they form the Insured's Policy/contract with Us. These are all important documents and should be carefully read together and kept in a safe place for future reference.

The Policy also extends cover to certain persons or entities who are not contracting parties but are entitled to access cover by reason of section 48 of the *Insurance Contracts Act 1984* (Cth) as third party beneficiaries. They are persons, other than the Insured, who may be entitled to benefit under the terms of the Policy.

Updating the PDS

We may need to update this PDS from time to time if certain changes occur, where We are required or permitted by law to do so. We will issue the Insured with a new PDS or a Supplementary PDS or other compliant document 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 notice of this updated information in other forms or keep an internal record of such changes (You can get a paper copy free of charge by calling Us or Your broker).

Further information and confirmation of transactions

If You require further information about this insurance or wish to confirm any transaction, please contact Your insurance broker.

Business Building and Contents

You will only be covered under the Business Building and Contents section where this is shown as being “Insured” in the Policy Schedule.

What We cover

We’ll cover Accidental loss of or Damage to Your Buildings or Contents which occurs at the Location during the Period of Insurance, up to the Limit of Liability stated in the Policy Schedule.

How We will settle

What We pay depends on what sort of property suffers loss or is damaged and whether it has been lost, damaged or destroyed.

Property Type	How We settle
Building, Contents or other property that is destroyed	We’ll rebuild or replace the property to the same condition as when new, but no better, up to the Limit of Liability for the item.
Building, Contents or other property that is damaged	We’ll repair the property to substantially the same condition as when new, but no better, up to the Limit of Liability for the item.
Stock and customer goods	We’ll either: <ul style="list-style-type: none">- pay the Market Value at the time of the loss; or- replace or repair the Stock or customer goods with comparable property or materials; up to the Limit of Liability for the item.
Buildings awaiting or undergoing demolition at the time of the loss	We’ll pay the salvage value of the damaged Building materials, fixtures and fittings, up to the Limit of Liability for the Building.

Underinsurance

We will reduce a claim under this policy if the total Limit of Liability for all property insured at the location is less than eighty percent (80%) of the cost of the replacement of all such property. When the total Limit of Liability is less than 80% of the replacement cost, We will only pay a proportion of any claim at the location bears to eighty percent (80%).

Underinsurance will not apply if the claim for Damage to Property insured is less than ten percent (10%) of the limit of liability for the location.

Example 1 – Business Buildings

The example below shows how underinsurance for Business Buildings is calculated:

Total value = \$1,000,000

80% of value = \$800,000

Limit of Liability = \$700,000

Therefore, if a \$500,000 loss occurs, We would pay $(\$700,000 / \$800,000) \times \$500,000 = \$437,500$.

We would pay \$437,500.

Example 2 – Business Contents

The example below shows how underinsurance for Business Contents is calculated, having regard for the Extra Benefit 2. Additional cost of Contents which increases the sum insured by up to \$100,000:

Total value = \$500,000

80% of value = \$400,000

Limit of Liability = \$260,000

Therefore, if a \$100,000 loss occurs, We would pay $(\$260,000 + \$100,000) / \$400,000 \times \$100,000 = \$90,000$.

We would pay \$90,000.

Extra benefits

When accidental loss or damage occurs to property which is covered under this Business Building and Contents section of the Policy, We will provide the following extra benefits, and they will be paid in addition to the applicable Limit of Liability for this Business Building and Contents section unless otherwise stated:

1. Accidental discharge of automatic sprinkler

We'll cover the cost for the fire brigade to shut off the water supply if water accidentally discharges from Your automatic sprinkler or drencher system, together with incidental cleaning.

2. Additional cost of Contents – Contents Safety Net

If an event covered under this section results in a claim for Contents and the Limit of Liability specified in the Policy Schedule is not sufficient, then We will increase the Contents Limit of Liability by up to \$100,000.

Underinsurance may still apply to Business Contents once the Contents Safety Net of \$100,000 has been fully exhausted. This benefit is not available for a negotiated cash settlement.

3. Additional increased cost of working

We'll pay up to \$20,000 per event for the additional expenditure You incur to minimise the impact of the loss on the Business as a result of an event covered under this section.

More cover for increased cost of working is available if You take out Business Interruption cover under the Policy.

4. Architects and other fees

We'll pay for architects, surveyors or lawyers fees necessarily incurred to repair or rebuild Your property. We'll include these fees in the Limit of Liability, unless the Limit of Liability has been used up in which case We will pay up to an additional \$20,000 per event.

5. Capital additions

We'll cover alterations and additions to Buildings and Contents (apart from Stock), that have been made during the Period of Insurance. We will pay up to the lesser of:

- 20% of the Limit of Liability on Buildings or Contents (as applicable); or
- \$500,000 for Buildings or \$200,000 for Contents.

6. Catastrophe escalation cost

If an event covered under this section:

- makes Your Building a total loss;
- results in a state of emergency declaration where Your Building is; and
- causes an increase in rebuilding costs,

then We will increase the Limit of Liability for Your Building by up to 20% to cover the increased building costs. We will only pay the increased costs You incur when rebuilding Your Building.

Underinsurance may still apply to Your Building Limit of Liability once the Catastrophe escalation cost of 20% has been fully exhausted.

7. Discharge of mortgage

If Your property is a total loss, We will also cover the cost to discharge any mortgage on that property. We will include this in Your Limit of Liability. However, if the property is a Building and Your Limit of Liability has been used up, We will pay You up to an additional \$20,000.

8. Employees personal property

We will pay up to \$5,000 per person per event, on top of Your Contents Limit of Liability, for loss or damage which is covered by this section to Your directors' or Employees' personal property used solely for Business purposes, but not for:

- anyone named as an Insured; or
- any property that is otherwise insured.

9. Environmental upgrade

We will pay up to the lesser of 10% of Your Limit of Liability or \$50,000 per event to replace lost or damaged property with more energy or water efficient items.

10. Expediting Expenses

We will pay the lesser of 50% of the cost of repairing the item or \$25,000 for costs and expenses incurred by You for express carriage rates and extra payments for overtime or out of hours work, incurred in connection with the repair or reinstatement of the Property Insured that is Damaged.

11. Extra cost of rebuilding

We will pay for extra costs You are required to incur in order to comply with the requirements of a public authority in rebuilding or replacing property (other than Stock) including demolishing or dismantling property.

However:

- if You unreasonably delay rebuilding or replacing, We won't cover any additional costs caused by Your delay;
- We won't cover the extra costs for something You had to comply with before the damage happened; or
- if the cost to rebuild or replace is less than half the cost to rebuild or replace the whole of the property:
 - We will only pay the cost to rebuild or replace the damaged portion and not any undamaged portion; and
 - We won't pay any more than We would have if the property had been completely destroyed.

The Underinsurance Condition does not apply to this extra benefit.

12. Exploratory costs

If water or other liquid escapes from any pipe, gutter or other fixed apparatus and causes damage covered under this section, We will pay You up to \$20,000 in any Period of Insurance to locate the source of the liquid. We won't cover the damage to the pipe, gutter or other fixed apparatus.

13. Fire extinguishment costs

We will pay up to \$20,000 per event for costs to extinguish fire at, near or threatening Your Location. We will cover:

- charges under any emergency services legislation;
- Employee wages;
- replenishment of firefighting appliances; or
- damage to property, unless otherwise insured.

14. Floating Stock

We will pay up to 120% of the Stock Limit of Liability, when Stock is covered at more than one Location and is regularly transferred between the Locations as part of Your usual business process.

Underinsurance may still apply to Stock once the 120% of the Stock Limit of Liability has been fully exhausted.

15. Floor space ratio index

If a public authority limits how You can rebuild Your property by reducing the site's floor space ratio index, We will pay for any increased cost to rebuild, compared to what it would have cost if the floor space ratio index hadn't been reduced.

16. Government fees

We will pay up to \$10,000 per event for any charge a public authority imposes for their consent to rebuild the Building. We won't cover any penalty they impose.

17. Landscaping

We will pay up to \$10,000 in the event of a claim for the cost of loss or damage to landscaping which will include trees, shrubs, plants, lawns, retaining walls, rock work and ornamentation, including resultant expenses when You clean or repair drains, gutters, sewers, tanks or fixed apparatus as part of servicing Your Building.

We will not cover loss or damage due to storm, wind, cyclone, snow, flood, or rain.

18. Locks and Keys

We will pay up to \$10,000 for damage to locks and keys. We will cover:

- the cost incurred to replace the unauthorised duplication of keys, magnetic keys or cards or similar devices; or
- other costs that are necessarily incurred to restore the security of the premises to the same level of security that existed prior to the loss of these keys.

19. Loss of land value

We will pay up to the lesser of 10% of the Limit of Liability for Buildings or \$100,000 for loss of land value if a public authority doesn't allow You to rebuild, or only allows You to partially rebuild, at the Location.

20. Prevention of damage

We will pay up to \$20,000 per event for reasonable costs that You incur to prevent imminent damage to Your Building or Contents from an event that would be covered under this section.

21. Property temporarily removed

We will also cover Contents (including Stock) moved to Your other Location(s) in Australia for up to 90 consecutive days including whilst in transit there and back.

We will pay up to 20% of the Contents or Stock Limit of Liability (as applicable), which is included in the Limit of Liability for those items. If the Limit of Liability for that item has been used up no additional cover is provided under this extra benefit.

For property temporarily removed, We do not cover:

- Stock in transit to a customer;
- Contents that has been hired out by the insured;
- portable electronics;
- directors, partners, or Employees' personal property;
- Vehicles, trailers or caravans, unless these are Your own Stock;

22. Removal of debris, temporary repairs and temporary protection

We will pay for the cost to remove debris, make temporary repairs and provide temporary protection resulting from damage covered by this section. We will include this in Your Limit of Liability. However, if Your Limit of Liability is used up, We will pay up to an additional 10% of Your Limit of Liability or \$20,000, whichever is the lesser.

23. Rewriting records and documents

We will pay up to the lesser of 10% of the Contents Limit of Liability or \$30,000 to rewrite or reproduce Business records.

24. Temporary Cover for New Location

We will extend cover for up to 90 days to any Location that is used by Your business for the first time during the period of insurance. We will pay 50% of the highest Limit of Liability shown in the Policy Schedule for Business Building or Contents.

Temporary cover for a new Location is only available to property that is of a similar type to that insured by this cover section, when the new premises has building, fire protection and security features that are similar to those at one of the Locations shown in the Policy Schedule and the new Location is not covered for Flood or Cyclone.

If we agree to cover the property at the new premises beyond the 90 consecutive day period, You must pay or agree to pay Us any additional.

25. Temporary Protection or Security Guard

We will pay up to \$25,000 for the cost of temporary protection, including employment of security guards, to safeguard the Property following Damage at the Location.

26. Trade shows, fairs and exhibitions

We will pay up to \$20,000 for damage to contents or stock whilst at trade shows, fairs, market stalls and exhibitions including whilst in transit between the location and the trade show, fair, market stall or exhibition.

For trade shows, fairs and exhibitions We do not cover theft of contents or stock.

27. Undamaged foundations

If a public authority requires You to build elsewhere, We will count any remaining foundations as destroyed. If the abandoned foundations increase the re-sale value of the land, You will need to reimburse Us the increased value.

28. Unpacking Expenses

We will pay up to \$20,000 for any claim for costs and expenses in taking inventory or unpacking repacking and/or restacking Stock to identify quantify and/or value of any property damaged, including examination of property not belonging to the Insured but in their care custody or control.

29. Water Authority Charges

We will pay the lesser of 7 days of costs levied by the Water Utility company to You or \$10,000 for the escape and loss of water at the Location following a sudden, unexpected and identifiable incident causing damage to Buildings covered.

What We do not cover

The following specific exclusions apply to the Business Building and Contents section in addition to the General Exclusions of the Policy. We will not cover any loss or damage under the Business Building and Contents section caused by or in relation to:

1. actual or attempted theft or hold up (but You may have this cover if You are insured under the Theft, Money and Glass section of the Policy) or Your Employees' dishonesty;
2. anyone deliberately switching off or disconnecting the power supply;
3. any industrial action;
4. any property in the open air, unless it is part of a permanent structure designed to be in the open air;
5. consequential loss, unless covered under the 'Additional increased cost of working' extra benefit;
6. damage to a falling communication tower, aerial or satellite dish owned by others (but We will cover the damage to Your property it causes);
7. erosion, subsidence, landslip or mudslide or any other earth movement but We will cover loss or damage caused by a landslide or subsidence that occurs within 72 hours of, and directly because of, a storm, earthquake subterranean fire, volcanic eruption or water escaping from a water main owned by a water supply authority;
8. failing property during demolition, other than demolition following damage covered under this section;
9. faulty design or workmanship;
10. Flood (unless shown as insured in the policy schedule);
11. gradual processes such as lack of maintenance, corrosion, damp, wear and tear, mildew, latent or developing flaws, mould or rot, animals or vermin, or water seeping through from outside Your Location;
12. loss or damage caused by tenants, other than fire or explosion;
13. mechanical, electrical or electronic Breakdown;
14. Pollution leaving the bounds of Your Location;
15. property in transit, unless covered under the 'Property temporarily removed' extra benefit;
16. settling, shrinkage, expansion, creeping, heaving or vibration in land, Buildings or other structural improvements;
17. storage and use of hazardous goods, unless usual to the Business and stored and used legally;
18. the action of the sea or high water, unless caused by or arising as a direct consequence of an earthquake or seismological disturbance;
19. the application of heat or any form of processing; or
20. unexplained shortages or shortages discovered on inventory.

Business Interruption

You will only be covered under the Business Interruption section where this is shown as being “Insured” in the Policy Schedule.

What We cover

We’ll cover You for a reduction in the Gross Profit if the Business is interrupted during the Period of Insurance by:

- Property Damage that is covered under another section of the Policy other than the Business Liability section;
- loss of access to Your Location caused by:
 - damage within 50 kilometres of Your Location that would be covered by the Business Building and Contents section;
 - the government closing or evacuating Your Location because of:
 - food poisoning, murder or suicide;
 - an infectious human disease, but not a Communicable Disease; or
 - animal pests or incorrect operation of drains or other sanitary arrangements at Your Location;
 - a bomb threat within 20 kilometres of Your Location;
- damage elsewhere in Australia, that would be covered by the Business Building and Contents section, to:
 - Your electricity, gas, water, sewerage or land-based telecommunications provider;
 - a location of Your customer, supplier or repairer;
 - property in transit (including documents) You own or are responsible for;
 - a storage or processing location You do not occupy;
 - transport infrastructure over which property travels to or from Your Location (but not Flood);

How We will settle

Shortfall in Income

We will cover the reduction in the Gross Profit shown in the Policy Schedule, while the Business is interrupted until the interruption ends, or up to the length of the Indemnity Period shown on Your Policy Schedule.

Accumulated stock

If You maintain Your Gross Profit by running down Stock, We will take that into account.

Closure of Your business

If during the Indemnity Period You permanently close Your business for any reason, then the Indemnity Period will end on the day You permanently close.

Departmental Clause

If Your business has more than one department and each departments turnover can be determined, how We will settle Your claim will apply separately to each department affected by the Damage.

Extra benefits

When You suffer a business interruption which is covered under this Business Interruption section of the Policy, We will provide the following extra benefits, and they will be paid up to the applicable Limit of Liability for this Business Interruption section unless otherwise stated:

1. Accounts Receivable

If Your Business is interrupted as a result of Property Damage that would be covered under another section of the Policy other than the Business Liability section, We will also pay for any amounts owed to You that can't be collected as a direct result of Damage to Your accounts receivable records and the necessary debt collection costs incurred with Our consent.

We will not pay for bad debts You would not normally collect; losses due to book keeping errors or omissions; or losses due to Your dishonesty or the dishonesty of Your directors, partners, employees, or any other person who has an interest in the accounts receivable records.

2. Fines, damages and penalties

If Your Business is interrupted as a result of Damage that would be covered under another section of the Policy other than the Business Liability section, We will also cover contractual damages and penalties You must pay because:

- You don't complete orders on time (or at all) during the time Your Business is interrupted, but We do not cover punitive, exemplary or aggravated damages; or
- You can't use goods and services that You've ordered during the time Your Business is interrupted, but We will deduct the value to You of these goods or the amount You receive from their sale.

3. Government incentives

If Your Business is interrupted as a result of Property Damage that would be covered under another section of the Policy other than the Business Liability section, We will cover any lost government approved subsidies, incentives or market development allowances You are entitled to.

4. Interim claim payments

When We have accepted Your claim, We will make interim payments at the intervals We agree, based on the information We have.

Optional Covers

You will only be covered under this Business Interruption section where an Optional Cover is stated as being "Insured" in the Policy Schedule.

1. Additional Increased Cost of Working

We will pay up to the amount shown in Your policy schedule for the additional expenditure, not otherwise recoverable, that You reasonably incur to minimise the effect of the loss or damage to the business during the indemnity period.

2. Claims Preparation Cost

We will pay up to the amount shown in Your policy schedule for the reasonable professional fees and other reasonable expenses as are necessarily incurred by You with Our consent for preparation of claims.

Theft, Money and Glass

You will only be covered under the Theft, Money and Glass section where this is shown as being “Insured” in the Policy Schedule.

What We cover

Theft

We will pay up to the amount shown on the Policy Schedule for loss of, or damage to, the Contents which occurs during the Period of Insurance caused by:

- theft or attempted theft:
 - following forcible entry to Your Building at the Location; or
 - without forcible entry, but only up to \$2,500 per event;
- Your Employees’ dishonesty discovered within 21 days, limited to \$3,000 during any one Period of Insurance.

We will also pay for loss of, or damage to, Your directors or Employees property used solely for Business purposes as a result of theft or attempted theft during the Period of Insurance from Your Building at the Location up to \$4,000 per person, per event. We will not cover:

- anyone named as an Insured; or
- any property that is insured under another policy.

Money

We will cover You, up to the amount shown on the Policy Schedule for theft or attempted theft of Business Money which occurs during the Period of Insurance while the Money is:

- at the Location during business hours;
- at the Location outside business hours;
- in a locked safe;
- in transit in Australia; or
- in a private residence.

Glass

We will cover You for fixed glass, sinks or sanitary ware that is damaged at Your Location (or a location You are legally responsible for) during the Period of Insurance.

How We will settle

Theft

We will either:

- repair or replace Your Contents; or
- pay You the current value of Stock or replacement value of other Contents or property at the time of loss.

Glass

We will repair or replace glass, including any improvement to comply with any applicable regulation or Australian Standards issued by Standards Australia.

Extra benefits

We will provide the following extra benefits under this Theft, Money and Glass section of the Policy, and they will be paid in addition to the applicable Limit of Liability for this Theft, Money and Glass section unless otherwise stated:

Money

We will also pay:

- up to \$5,000 for damage to a Safe or Strong Room or an automatic teller machine as a result of theft or attempted theft of Money that would be covered under this section;
- up to \$5,000 to:
 - recode or replace locks, keys or combinations for Your Safe or Strong Room or Location; or
 - open a Safe or Strong Room,following theft or attempted theft of Money that would be covered under this section;
- \$500 any one Period of Insurance for any counterfeit Australian currency You accept in good faith in exchange for goods, services or Money; and
- \$5,000 for financial loss from the illegal use of financial transaction or credit cards, but not if the illegal use is by Your Employees or anyone in collusion with them.

Theft

If there has been a theft or attempted theft at the Location, We will pay:

- up to \$5,000 in any Period of Insurance for temporary protection until the repair of the insured damage;
- up to \$3,000 in each Period of Insurance for:
 - damage to Your Building caused by actual or attempted forced entry or exit; and
 - loss of or damage to Your Buildings fixtures and services caused by theft or attempted theft;
- up to \$3,000 per event to rewrite or reproduce Business records;
- up to \$3,000 for the replacement of locks, keys, combinations, and electronic cards or other locking systems or devices if these are stolen, or combinations become known, or there are reasonable grounds to believe that keys, combinations, electronic cards or other locking devices may have been duplicated; and
- \$10,000 to the estate if You or Your director, officer, Business partner or Employee dies within 6 months as a direct result of an accidental injury caused by assault during a theft or attempted theft of property You own or are legally responsible for.

Glass

If We pay a claim for glass, We will also pay up to \$5,000 in total for:

- damage to items fixed to the glass;
- damage to or spoilage of Contents due to glass breakage;
- damage to window frames or door frames of shop fronts; or
- any necessary temporary protection while Your glass is repaired.

What We do not cover

The following specific exclusions apply to the Theft, Money and Glass section in addition to the 'General Exclusions' of the Policy. We will not cover any loss or damage under the Theft, Money and Glass section caused by or in relation to:

Theft

We will not cover:

- Money, unless covered under the 'Money' or 'Extra benefits' parts of this section;
- documents or designs;
- theft in which any member of Your household is involved; or
- theft from any open space or open sided structure which can't be fully closed.

Money

We will not cover loss of Money:

- due to dishonesty by You or Your family, directors or partners;
- not discovered within 30 days of its occurrence;
- due to shortage from clerical, accounting or payment errors;
- whilst being carried by professional money carriers;
- from an unattended Vehicle; or
- from a Locked Safe opened with a key or combination left at Your Location after hours.

Glass

We will not cover breakage of glass:

- not fit for its intended purpose;
- in poor condition;
- that is Stock;
- while in transit;
- which occurs during installation, removal or other work; or
- that is tubing or light fittings;

Business Liability

You will only be covered under the Business Liability section where this is shown as being “Insured” in the Policy Schedule.

What We cover

We will cover Your legal liability to pay for compensation and legal costs awarded against You for:

- Personal Injury;
- Property Damage; or
- Advertising Liability,

provided it:

- first happens during the Period of Insurance; and
- is caused by an Occurrence in connection with the Business.

Defence of claims

If We agree to cover Your claim, We will defend Your claim within the Limit of Liability including to:

- investigate, negotiate and settle any claim or legal action as We reasonably see fit to do so;
- defend any claim against You seeking compensation for liability, even if the claim is groundless or fraudulent;
- pay Your reasonable expenses of defending the claim incurred with Our prior written consent;
- pay all legal costs We incur and interest accruing after judgement until We have paid the amount of Your liability under the judgement, up to the Limit of Liability; and
- pay Your reasonable first aid expenses for Personal Injury, unless the law prevents Us.

We won't pay defence costs or continue to defend the claim after We have paid the Limit of Liability.

Limit of liability

The limit of Our liability in respect of any one Occurrence shall not exceed the Limit of Liability stated in Your Policy Schedule.

The total aggregate Limit of Liability during any one Period of Insurance for all claims arising out of Products Liability shall not exceed the Limit of Liability stated in Your Policy Schedule.

Only amounts paid to settle claims and to pay any legal costs awarded against You will be counted towards Your Limit of Liability. Amounts We pay for defence costs don't count towards the Limit of Liability and are paid in addition to the Limit of Liability.

Extra benefits

We will provide the following extra benefits under this Business Liability section of the Policy, and they will be paid within the applicable Limit of Liability for this Business Liability section unless otherwise stated:

1. Acquisitions

We will indemnify any of Your newly formed subsidiary companies or other legal entities purchased by You during the Period of Insurance to the extent of cover provided under this Business Liability section.

We will not be liable for any subsidiary or new entity unless:

- You notify Us within 30 days of the date of purchase or incorporation date;
- The newly incorporated company or entity is incorporated in Australia; and
- The newly incorporated company or entity conducts the same type of business as Your business.

2. Construction, renovations, alterations and additions

We will indemnify You up to \$250,000 in respect of legal liability to pay compensation for personal injury and property damage occurring during the Period of Insurance within territorial limits as a result of an Occurrence in connection with the construction, alteration, addition, erection or demolition of or to Buildings owned by You.

Optional Covers

You will only be covered under this Business Liability section where an Optional Cover is stated as being “Insured” in the Policy Schedule.

1. Tax Audit

We will pay the reasonable and necessary Tax Audit Costs You incur following notification received during the Period of Insurance of an audit or investigation by any federal or state taxation authority relating to Your liability to pay income tax, fringe benefits tax, capital gains tax, wholesale and sales tax, payroll tax, goods and services tax or superannuation contributions tax in respect of Your Business up to the Limit of Liability in the Policy Schedule.

We will not be liable under this Tax Audit benefit:

- for the imposition of any tax, fines, penalties, court costs, penalty tax or interest;
- for Tax Audit Costs incurred after completion of the audit or investigation;
- where any proceedings were initiated, threatened or started prior to the commencement of the Period of Insurance;
- for Tax Audit Costs arising from Your improper, unwarranted or unjustified refusal or failure to comply with any lawful request made by a federal or state taxation authority for the production of documents or the supply of information.
- for Tax Audit Costs from audits or investigations under customs legislation;
- for Tax Audit Costs from audits or investigations of income received or earned outside the Commonwealth of Australia;
- for Tax Audit Costs arising out of or relating to any fraud or fraudulent act or omission committed by You or on Your behalf; or
- for Tax Audit Costs arising from or relating to audits or investigations which result in You, or any person acting on Your behalf, becoming aware of any error or deficiency in any return of income or other documentation supplied to a federal or state taxation authority and failing to notify the taxation authority without delay;

In the event of a claim arising:

- You must at all times keep Us fully and continually informed of all material developments in relation to the claim and any audit;
- You must take all necessary and reasonable steps to minimise any delays and the amount of any costs incurred or likely to be incurred in connection with any audit;

- You must lodge taxation and other returns within the time limits applicable to those returns as prescribed by statute or through extension of time granted by a taxation authority;
- You must make full and complete disclosure of all assessable income (including capital gains), as required by any relevant legislation; and
- We or Our duly appointed agent may make Our own investigation into any matter which is or may be the subject of a claim, and You must ensure that Your accountants, registered tax agent and/or solicitor must cooperate with Us.

What We do not cover

The following specific exclusions apply to the Business Liability section in addition to the 'General Exclusions' of the Policy. We will not cover any loss or damage under the Business Liability section caused by or in relation to:

1. Advertising Liability and defamation

We do not cover liability in respect of claims for Advertising Liability or defamation:

- related to advertising, publishing, or broadcasting by You or on Your behalf;
- for communications made before the start of the Period of Insurance; or
- made by You or at Your direction knowing the statements were false.

We do not cover liability in respect of Advertising Liability arising from:

- a mistake in the advertised price of Your Products or services;
- any incorrect description of Your Products or services;
- failure of Your Products or services to meet the advertised standards; or
- failure to perform a contract, but this does not apply to claims for unauthorised use of advertising ideas contrary to an implied contract.

2. Aircraft, Aircraft Products and Watercraft

We do not cover liability in respect of:

- the ownership, maintenance, operation, or use by You or on Your behalf of any Aircraft;
- Your Products that are Aircraft or Aircraft parts used for maintaining an Aircraft in flight or moving on the ground or used in the construction of an Aircraft hull or machinery which You know are incorporated in an Aircraft or aerial device; or
- the ownership, operation or use by You or on Your behalf of any Watercraft longer than 8 metres, unless it is:
 - owned and operated by someone else and used by You for Business entertainment; or
 - powered by human or wind power and used in Australian waters.

3. Asbestos

We do not cover liability in respect of claims arising directly or indirectly from asbestos in any form or quality.

4. Assault, battery and molestation

We do not cover liability in respect of:

- Personal Injury or Property Damage arising from assault or battery committed by You or at Your direction, unless reasonably necessary to protect persons or property; or
- claims in connection with any actual or attempted sexual and/or child assault, abuse or molestation.

We also do not cover You under 'Defence of claims' for such claims.

5. Computers

We do not cover any claims in relation to computer services provided by You or on Your behalf, including any liability in relation to:

- external access to Your intranet, which is made available through the World Wide Web (or otherwise) for Your customers or others outside Your organisation;
- the operation and maintenance of Your website; and
- You, Your Employees' or Your contractors' use of email, the internet or Your intranet,

apart from liability arising out of material a manufacturer has published on its Website in support of its Product, including Product use and safety instructions or warnings.

We do not cover damage to computer Data or programs and their storage media in relation to:

- provision of computer or telecommunications services;
- use of any Computer System; or
- authorised or unauthorised use of a third party's Computer System, including damage by a computer virus.

6. Contractual liability

We do not cover liability in respect of any contractual obligation or agreement, except:

- liabilities assumed under an incidental contract, being a written contract:
 - to rent or lease any real or personal property, but not if the contract:
 - requires You to insure property; or
 - makes You strictly liable for damage regardless of fault;
 - with any supplier of utilities, except for work done for that supplier; or
 - with any railway authority for the handling of products, including contracts for the operation of railway sidings;
- liabilities the law implies in the absence of a contract or agreement;
- liability for implied terms regarding the merchantability, care or fitness of Your Products; or
- a contractual obligation under an agreement specified in Your Policy Schedule.

7. Defective Product and designs

We do not cover liability in respect of:

- the loss of use, withdrawal, recall, inspection, repair or replacement of Your Products, or anything they are a part of, if they are withdrawn from the market or from use because of a known or suspected defect or deficiency;
- any defective or deficient design or error in specification or formula provided by You for a fee;
- the cost of performing, correcting, improving, or replacing any work done by You or on Your behalf; or
- Property Damage to Your Products attributable to a defect or their harmful nature or unsuitability.

8. Employment liability

We do not cover any liability in respect of:

- Personal Injury to Your Employees that is or would be covered by compulsory workers compensation or common law insurance or any other fund or arrangement, even if You don't have that insurance, fund or arrangement;
- any employment contract or industrial award, agreement or determination, unless You would be liable without that contract, award, agreement or determination; or
- employment practices, meaning any of the following, directly or indirectly related to You employing or prospectively employing anyone:
 - any wrongful or unfair dismissal;
 - denial of natural justice;
 - defamation;
 - misleading representation or advertising; or
 - harassment or discrimination.

9. Events and claims outside Australia

We do not cover liability in respect of:

- claims made or actions started outside of Australia where the local laws require You to have insurance with an insurer licenced in that place;
- claims made and actions started within the United States of America or Canada or any other territory coming within the jurisdiction of their courts;
- claims and actions to which the laws of the United States of America or Canada apply, apart from claims and actions caused by the presence of Your Employees, partners or directors who normally reside in Australia while they are outside Australia on Business unless they are doing any kind of manual or supervisory work in the United States of America or Canada. The Limit of Liability for claims under this exception includes all costs, expenses and interest as set out in 'Defence of claims'; or
- Your Products that You, Your Employees or agents knowingly export to the United States of America or Canada.

10. Loss of Use

We do not cover liability in respect of loss of use of tangible property which hasn't been physically damaged, lost or destroyed resulting from:

- Your Products' failure to meet express or implied representations about their performance or quality, apart from loss of use of tangible property caused by the sudden unintended and unexpected physical loss of or damage to Your Products after someone other than You has put them to use; or
- a delay in, or lack of, performance by You or on Your behalf of any contract.

11. Property in custody or control

We do not cover liability in respect of Property Damage to property You own or lease or which is in Your physical or legal control.

This exclusion does not apply to liability for Property Damage to:

- Vehicles You don't own or use, but which are damaged in a car park You own or operate, unless You own or operate a car park for reward;
- a location that You temporarily occupy for work;
- a location which is leased or rented to You;
- the property of Your Employees; or
- other property temporarily in Your physical or legal control, but We won't cover physical damage or destruction of any property You have been working on and Our Limit of Liability under this exclusion does not exceed \$250,000 for any one Occurrence and in aggregate during any one Period of Insurance.

12. Penalties

We do not cover liability in respect of:

- punitive, exemplary, aggravated, or any additional damages resulting from the multiplication of compensatory damages; or
- fines, penalties or liquidated damages.

13. Pollution

We do not cover liability in respect of:

- Any costs and expenses incurred in the prevention, clean up or removing of Pollution unless it:
 - is consequent upon a sudden, unexpected and identifiable incident;
 - takes place in its entirety at a specific time and place; and
 - results in Personal Injury or Property Damage; or
- Personal Injury or Property Damage directly or indirectly arising out of pollution, unless the Pollution:
 - is consequent upon a sudden, unexpected and identifiable incident;
 - takes place in its entirety at a specific time and place; and
 - occurs outside of the United States of America or Canada.

The most We will pay for any one Pollution incident and for all Pollution incidents in the aggregate during any one Period of Insurance is the Limit of Liability.

14. Professional liability

We do not cover liability in respect of:

- Your provision, or failure to provide, professional advice or services, or any related error or omission;
- the dispensing of drugs, pharmaceuticals, artificial aids or supplies; or
- the treatment of humans or animals for any physical or mental deficiency, injury or illness.

15. Silica

We do not cover any liability directly or indirectly caused by, or alleged to be caused by or contributed to, in whole or in part, by or arising out of the presence, ingestion, actual, alleged, threatened or suspected inhalation or absorption of silica or silica related dust.

16. Sport and participation

We do not cover liability in respect of Personal Injury to any person due to participating in any sport, game, race, trial, practice, training, match, competition, warm up or down, and other preliminary activities, unless the Personal Injury is due to Your negligence in relation to the facility provided.

17. Vehicles

We do not cover liability in respect of claims arising out of any Vehicle:

- that is or should be registered for use on public roads; or
- for which any legislation requires compulsory or statutory insurance, whether or not that insurance is in effect.

This exclusion does not apply to:

- Personal Injury claims where compulsory third party insurance or statutory indemnity doesn't cover You for reasons that do not involve You breaching legislation relating to Vehicles; or
- property Damage claims caused:
 - by the operation of any Vehicle designed primarily for lifting, lowering, loading, unloading, digging or drilling while being operated by You or on Your behalf within Your Location;
 - by equipment that is part of Your Vehicle being used as a tool at any worksite;
 - by and during the loading or unloading of goods to or from any Vehicle; or
 - by the use of any tool or plant part of, attached to or used in connection with any Vehicle at any site (but not while the vehicle is travelling, transporting or carting goods).

However, there is no cover for Property Damage caused by a Vehicle while it is transporting or carting goods.

Portable Business Contents

You will only be covered under the Portable Business Contents section where this is shown as being “Insured” in the Policy Schedule.

What We cover

We will cover You for accidental loss of or damage to items specified on Your Policy Schedule, which You own or are legally responsible for which occurs during the Period of Insurance anywhere in Australia.

How We will settle

We will pay up to the Limit of Liability for each item as follows:

- if the item can be repaired, We will pay the cost of repair to a condition equal to, but no better than, when new;
- if the item can be repaired or replaced, but You prefer a cash settlement, We will pay the cost to repair;
- if the item can't be economically repaired, and:
 - it can be replaced, We will pay the cost to replace it with the same or similar item, equal to but no better than when new; or
 - it can't be replaced with the same item, We will pay the Limit of Liability for that item.

What We do not cover

The following specific exclusions apply to the Portable Business Contents section in addition to the ‘General Exclusions’ of the Policy. We will not cover any loss or damage under the Portable Business Contents section caused by or in relation to:

- dishonesty by You, Your Employees or others to whom an insured item is entrusted;
- action of the sea, tidal wave or high water;
- Flood;
- theft by Employees; or
- theft, other than resulting from forcible and violent entry (shown by visible damage to the locked part of the Building or Vehicle containing the insured item).

We do not cover:

- sporting equipment in use; or
- unmanned Aircraft operated for reward while in use.

Equipment Breakdown

You will only be covered under the Equipment Breakdown section where this is shown as being “Insured” in the Policy Schedule.

What We cover

We will cover You for Breakdown of Your Plant and Machinery or items of Electronic Equipment that occurs during the Period of Insurance up to the Limit of Liability specified on Your Policy Schedule.

How We will settle

We will pay:

- In the event of Breakdown under this section We will pay for the reasonable cost of repairs or replacement necessary to return the insured item to its former state. We will also pay up to 50% of the normal cost of repair for the following additional benefits of:
 - dismantling, re-erection and removal of debris;
 - refrigerant lost as a direct result of Breakdown;
 - freight by any recognised scheduled service; and
 - hire of a temporary replacement item during the time taken to repair the Breakdown to any insured item,

Our liability is inclusive of these additional costs and will not exceed the Limit of Liability specified on Your Policy Schedule.

- All Breakdowns that can be repaired, must be repaired. However, should the item be uneconomical to repair due solely to the nature of the Breakdown, We will pay either:
 - the cost of replacement of the insured item by an item of similar type, function and quality in a condition equal to, but no better than, the condition of the insured item when new; or
 - the Limit of Liability for the insured item,

whichever is the lesser.

- The value of any salvage will be subtracted from any amount payable under this section.
- The Limit of Liability for insured items of plant and machinery or electronic equipment specified on Your Policy Schedule will be automatically reinstated following Breakdown for no extra premium.
- Where components or manufacturer’s specifications are no longer available due to obsolescence, We will pay the cost to replace the insured item less an equitable amount for age, wear, tear, and depreciation, and will make an adjustment for the general condition and remaining useful life of the individual item or components that are damaged.

Extra benefits

When Your plant and machinery or electronic equipment suffers a Breakdown which is covered under this Equipment Breakdown section of the Policy, We will provide the following extra benefits, and they will be paid in addition to the applicable Limit of Liability for this Equipment Breakdown section unless otherwise stated:

1. Property damage

We will indemnify You for accidental loss or damage to property not insured under this section which is owned by You or that You are responsible for, provided that the accidental loss or damage occurred within the Location during the Period of Insurance as a direct result of impact from part of an insured item of plant and machinery or electronic plant that has suffered a Breakdown.

We will not pay more for property covered under this extra benefit than the Limit of Liability specified on Your Policy Schedule for that insured item of plant and machinery or electronic equipment that has caused the accidental loss or damage to the uninsured item.

2. Newly installed items

We will temporarily extend the cover provided by this section to cover additional items of plant and machinery or electronic equipment that are installed at the Location during the Period of Insurance, provided that this temporary cover is limited to the lesser period of:

- thirty (30) consecutive days from the date You installed the additional items of plant and machinery; or
- the expiry date of the current Period of Insurance.

The maximum We will pay for this additional cover is 50% of the Limit of Liability shown on Your Policy Schedule for similar items to those You have newly installed. If You require cover for these items beyond thirty (30) consecutive days, You must provide Us with full details of the new items and pay or agree to pay Us any additional premium We may require for the cover to continue for these items.

Optional Covers

You will only be covered under this Equipment Breakdown section where an Optional Cover is stated as being "Insured" in the Policy Schedule.

1. Increased cost of working

We will pay for costs that are incurred by You for the purpose of avoiding or diminishing a reduction in Income from Your Business during the period that the Machinery and Plant or Electronic Equipment is broken down. Provided that:

- these costs are incurred because of an interruption of Your normal Business operations that directly results from Breakdown to machinery and plant or Electronic Equipment that is covered by this section;
- these costs are additional to Your normal Business operating costs;
- You receive Our prior written approval to incur these costs;
- We will not pay more than the Limit of Liability shown in Your Policy Schedule for increased cost of working per event; and
- We will not pay for any costs incurred during the first forty eight (48) consecutive hours following the Breakdown.

2. Deterioration of Stock in cold storage

We will cover the loss or damage to Stock, up to the Limit of Liability . The Stock must be contained in the cold storage spaces cooled by the insured items nominated on Your Policy Schedule and there must be deterioration or putrefaction as a result of:

- sudden and unforeseen failure of the public power supply;
- a Breakdown to the refrigeration machinery;
- contamination of the stored Stock by the accidental escape of refrigerant into the cold chamber;
or
- sudden leakage of refrigerant from the refrigeration machinery or pipe system forming part of the refrigeration machinery,

occurring during the Period of Insurance at the Location.

We will not pay for:

- loss or damage caused by the collapse of the packing material or storage structure;
- any loss or damage due to shrinkage, inherent defects or diseases; or
- penalties for delay or detention or consequential loss or damage or liability of any nature whatsoever; or
- loss or damage following loss of public power supply due to a deliberate act of any public power supply authority or a shortage of power generation fuel or water.

3. Electronic Data and electronic Data media

We will pay for damage to the electronic Data and electronic Data media as the result of Breakdown to the electronic equipment which is specified on Your Policy Schedule.

We will pay You up to the Limit of Liability on Your Policy Schedule for:

- the actual cost of replacement of lost or damaged electronic Data media with new unused materials;
- any expenses incurred by You for the purpose of restoring the electronic Data by reproduction of Data;
- whilst the insured Data media is:
 - at the Location,
 - at a media storage location, or
 - temporarily at an alternative location for processing purposes, or in transit between any of these locations.

We will not pay for:

- loss or distortion caused by computer virus;
- loss or distortion of electronic Data contained on the electronic Data media while mounted in or on any machine for use of processing unless such loss or distortion occurs at the Location due to a Breakdown to insured electronic equipment;
- wasting or wearing out caused by ordinary use;
- loss or damage caused by atmospheric conditions, moisture or changes in temperature unless directly resulting from Breakdown to air-conditioning equipment which would be indemnifiable if the equipment were insured under this Policy section;
- consequential loss of any kind or description whatsoever;

- work undertaken without Our prior written approval, other than for minor or provisional repairs. There is no cover under this Optional Cover with respect to any insured item which has been operated without being satisfactorily repaired following Breakdown; or
- the cost of restoring Data created more than three (3) months before the Breakdown causing the loss of Data that has not been backed up on alternative electronic Data media.

What We do not cover

The following specific exclusions apply to the Equipment Breakdown section in addition to the 'General Exclusions' of the Policy. We will not cover any loss or damage under the Equipment Breakdown section caused by or in relation to:

- the carrying out of tests involving abnormal stresses, including overloading of any insured item; or
- for electronic equipment only; moisture or changes in temperature unless directly resulting from Breakdown of air conditioning equipment.

We will not pay for the cost of:

- replacement of expendable items such as belts, filters, fuses, electric heating elements, electrical contacts, thermostats, thermal expansion valves, cutting blades, crushing surfaces, glass or porcelain, ceramics, chains, seals, links, dies and moulds, conveyor belting, lubricants, fuel and any transfer media, batteries, valves, x-ray and picture tubes, tapes, cards, ribbons, or tubes;
- replacement of component parts worn through normal machine operation;
- adjustment, cleaning, purging or recharging of refrigeration or air conditioning equipment;
- repairs to piping and other ancillary systems due to cracking of pipe work;
- replacement of refractory or brickwork forming part of an insured item, unless necessary as part of the rectification of Breakdown not otherwise excluded under this section;
- maintenance work including but not limited to the tightening of loose parts, recalibration or adjustments;
- alteration, additions, improvements or overhauls whether carried out in the course of indemnifiable repairs or as a separate operation;
- modification or alteration of insured plant and machinery which has suffered Breakdown to enable it to operate with a more ozone friendly refrigerant gas as required by the UNEP (United Nations Environmental Protection) Montreal Protocol with respect to substances which deplete the ozone layer;
- replacement or repair, caused by gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation);
- replacement of lighting equipment, reticulating electrical wiring, reticulating liquid and gas piping and ducting;
- repair of scratches or painted or polished surfaces unless caused by Breakdown;
- repair of slowly developing deformation or distortion of any part;
- repair of blisters, laminations, flaws or grooving even when accompanied by leakage;
- damage caused to an insured item or items caused by any hydraulic testing;
- repairs to valves, fittings, glands, joints, gaskets, pipes, lines and connections which are defective or leaking;
- repairs to shaft keys requiring tightening, fitting or renewal;
- damage caused by the movement of foundations, masonry or brick work; or

- removal of installation or underground pumps and well casings, unless specifically noted on Your Policy Schedule, however this exclusion does not include submersible pumps.

We will not pay for consequential loss of any kind or description, other than as may be provided under Business Interruption.

We will not pay for Breakdown to any item whilst being moved by dual lifting.

We will not pay for costs You are entitled to recover for labour and parts under a maintenance agreement, warranty, guarantee or indemnity in Your favour by the manufacturer or any other person.

General Exclusions

What We don't cover under any section of the Policy.

1. General wear and tear

We do not cover claims for any loss or damage due to:

- atmospheric conditions, moisture or changes in temperature;
- corrosion or rust;
- depreciation;
- mould;
- vermin or animals; or
- wear and tear.

2. Intentional damage

We do not cover any loss, damage or liability intentionally caused or incurred by:

- You; or
- a member of Your family; or
- a person acting with Your express or implied consent or that of a member of Your family.

3. Insolvency

We do not cover any loss, damage or liability if the business is permanently discontinued, ceased by will or operation of law or carried on by an insolvency practitioner.

4. Operation of law, war or nuclear material

We do not cover any loss, damage or liability in relation to:

- acts of Terrorism;
- any fine, penalty or punitive damages;
- civil war, War, invasion or rebellion;
- lawful seizure, repossession or other operation of law; or
- nuclear weapons, nuclear fuel, waste or materials.

5. Sanctions limitation and exclusion

We will not provide cover under any section of the Policy where a claim payment or benefit may breach any sanction, prohibition or restriction under the United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America, or any local autonomous sanctions.

6. Unoccupied Location

We do not cover any loss, damage or liability if You have not used Your Location for Business purposes for at least 2 consecutive days in the previous sixty (60) consecutive days, unless We agreed in writing to cover Your unoccupied Location.

7. Cyber Loss Limited Exclusion Clause

We will not cover any loss, damage, liability, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:

- any loss of, alteration of, or damage to or a reduction in the functionality, availability or operation of a Computer System, unless subject to the provisions of paragraph 2;
- 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 except to the extent that cover is otherwise specifically provided under the Policy for restoration of data in the Equipment Breakdown section – Optional Cover ‘Electronic data and electronic Data media’ if this Optional Cover is shown as being “insured” in the Policy Schedule.

Subject to the other terms, conditions and exclusions contained in the Policy, We will cover physical damage to property insured and any loss covered under the Business Interruption section directly resulting therefrom where such physical damage is directly occasioned by any of the following perils: fire, lightning, explosion, Aircraft or Vehicle impact, falling objects, windstorm, hail, tornado, cyclone, hurricane, earthquake, volcano, tsunami, action of the sea, Flood, freeze or weight of snow.

8. Limited Communicable Disease Exclusion

We will not cover any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.

Important Information

There are conditions set out in the Policy, including below and in the sections outlining the cover and in the Claims section on page 42. If any of these conditions are not met, We may refuse to pay a claim, reduce the amount We pay or cancel Your Policy.

When making a claim, You must have met and then continue to comply with the conditions of the Policy. Any person covered by Your Policy, or claiming under it, must also comply with these conditions.

Assistance and co-operation

At all times, when You deal with Us You must:

- be truthful;
- co-operate fully with Us; and
- provide Us with all reasonable assistance We may need.

Changes to the Business

The following can change the risk that We insure You for, so You need to tell Us about the following changes if they occur:

- a change in Your Business trade or occupation;
- a change in the use of Your Location that is likely to increase the risk of Property Damage or Personal Injury; or
- if the Business is wound up or goes into administration.

Except to the extent the Policy expressly provides otherwise, where the change:

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

Cancelling Your Policy

The Insured may cancel the Policy at any time by giving notice to Your broker. Cancellation will take effect from 4:00pm on the day We receive the Insured's notice of cancellation or such other time otherwise agreed between Us and the Insured.

We may cancel the Policy pursuant to any right at law and as set out in the Insurance Contracts Act 1984 (Cth) by giving the Insured written notice to that effect. This includes where:

- You failed to comply with the duty of the utmost good faith;
- the Insured failed to comply with the duty to take reasonable care not to make a misrepresentation to Us before entering into, varying, extending or renewing the Policy, where this duty applies to them;
- You failed to comply with a provision of the Policy, including a provision with respect to payment of the premium;

- You have made a fraudulent claim under the Policy or under some other contract of insurance (whether with Us or with some other insurer) that provides insurance cover during any part of the period during which the Policy provides insurance cover;
- 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
- 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 the Insured 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 the Insured otherwise in Our cancellation notice):

- the time when another policy of insurance replacing the Policy is entered into by the Insured; or
- 4pm of the third (3rd) business day after the day on which notice was given to the Insured 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 4pm on the fourteenth (14th) business day after the day on which notice was given to the Insured.

If the Policy is cancelled, We will refund to the Insured the proportion of the premium for the remainder of the Period of Insurance (for example, if the Period of Insurance is 12 months and You have been covered for six (6) months We will refund half the annual premium), less any government taxes or duties paid by Us in relation to the Policy We cannot recover.

Any agency fee that has been added to the premium will only be refunded if the Policy is cancelled within the cooling off period or where the cancellation is effective from the start of the Period of Insurance.

However, in the event that You have made a claim under the Policy and We have agreed to the claim no return of premium will be made.

Care and maintenance

You must take reasonable care to prevent loss, damage and injury. We won't pay for loss, Property Damage, Personal Injury, or Your liability to which Your failure to take reasonable care is a contributing factor. At all times You must:

- comply with all applicable laws;
- minimise the cost of any claim under the Policy; and
- prevent damage to property insured, as well as others and their property.

Changes in Policy

We must agree in writing to any change in the Policy, including any exemption from the requirements of any section.

Governing law and jurisdiction

This Policy is governed by the laws of the State in Australia where the policy is issued and any disputes in connection with this Policy are subject to the jurisdiction of the courts of Australia.

Notices

Any notices We give the Insured will be in writing and take effect when delivered to the Insured's nominated insurance broker, or to the Insured's last known address, including an email address. A notice to the Insured is treated as a notice to all insured parties. It is therefore important that the Insured tells Us of any change of address as soon as possible.

Other interests

You must not transfer any interests in the Policy without Our prior written consent. Any person whose interests You've told Us about and We have noted on the Policy Schedule, are also bound by the terms of the Policy.

Your obligations

In entering into the Policy and protecting the Business assets, You are to:

- take all reasonable precautions to avoid or minimise loss or damage;
- maintain all Business Location(s), equipment and fittings in sound condition;
- obtain certificates of inspection for all equipment required by any statute or regulation to be so certified; and
- comply with all statutory obligations, by-laws and regulations imposed by any public authority, for the safety of persons or property.

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;
- "includes" in any form is not a word of limitations; and
- a reference to "\$" or "dollar" is to Australian currency.

Claims

This section describes what to do if a loss, damage or liability occurs. Please take the time to read through this document and if You have any questions, need more information or wish to confirm a transaction, please contact Us.

If something happens

Call Us on 02 8233 3187 and let Us know as soon as You can.

Here are some other things We'd like You to do:

- take reasonable steps to reduce the loss and prevent any further damage;
- report any suspected theft, break in or malicious damage to the police;
- do not admit liability or make offer of payment;
- let Us know about any Occurrence, claim against You, impending prosecution or other information which may result in a claim under the Policy, even if the claim amounts might be less than the excess;
- do not authorise any repair or replacement until We agree;
- Advise Us of any potential duplicate insurance; and
- keep any damaged property for Our loss adjuster.

Contribution

If a loss is covered by any other insurance (in Your name or someone else's), You must provide Us with details of the other insurance and help Us to claim a contribution from the other insurer.

Discharge of Our liabilities

At any time We can pay You for all claims from one Occurrence:

- the Limit of Liability for the claim, less any amounts already paid; or
- any lower sum for which the claim may be settled.

If We do:

- You will become responsible for the claim; and
- We won't make any further payments unless We already agreed to make them.

GST

If You are registered for GST (or should be), You need to tell Us:

- Your ABN; and
- the percentage of the input tax credit (ITC) You are entitled to claim on Your premium.

Your GST status affects the amount We pay You. We will adjust the amount We pay for any ITC entitlement. Unless We say otherwise, all amounts in the Policy are inclusive of GST.

Your circumstances may have other tax implications, so We suggest You seek professional advice.

Inspection and salvage

You must let Us inspect any damaged property and We may take the damaged property and deal with it. If We do not take the damaged property, it is Your responsibility.

Limits and excess

The most We will pay is the Limit of Liability for a claim, unless:

- We agree to pay legal costs and expenses in writing; or
- a benefit says it is payable on top of the Limit of Liability.

An excess is the amount You must pay Us for each claim made on the Policy. You must pay the excess shown in the Policy or on Your Policy Schedule for each claim. We may request this when You lodge the claim or deduct it from Our payment to You.

If loss or damage leads to a claim under more than one section of the Policy, You will pay only the highest applicable excess(es) in total once for the claim event.

Recovery from others (subrogation) and uninsured loss

We may exercise Your rights, to recover a loss from a third party. This is also known as subrogation. If We do, You must:

- co-operate with Our reasonable requests, and
- provide Us with the assistance and information We need to do this.

You must not prevent Our right of recovery. That is, if someone is liable to compensate You for a loss, damage or liability, You must not agree that You will not seek compensation from them. If You have agreed not to seek compensation from someone who is liable to compensate You for a loss, damage or liability, the Policy will not cover You for that loss, damage or liability.

You must assist Us even if We have already paid Your claim.

If We recover any amount that You have lost which is not insured under this Policy, We may keep that amount whether or not We have paid Your claim in whole or in part.

Waiver of subrogation

We will not seek to recover from:

- anyone insured by the Policy;
- any co-owner of the insured property; or
- any company owned or controlled by an insured, including its directors, officers and Employees,

provided that this waiver will not apply where the loss to be recovered is as a result of serious or wilful misconduct of the relevant person or entity.

You may:

- release any public authority from any liability if the law requires it; and
- agree to the storage of goods if the contract includes a disclaimer clause.

Definitions

The following words used in the Policy have a special meaning that appears below when the word starts with a capital letter in this document (other than in headings). Other words may be specially defined elsewhere in the Policy to have a meaning when used in relation to a Policy section, term or condition.

Word	Meaning
Accidental	Unexpected and unintended from your standpoint.
Advertising Liability	Any: <ul style="list-style-type: none"> • unfair competition; • misappropriation of advertising ideas; • infringement of copyright; or • invasion of privacy, committed or allegedly committed by You or on Your behalf during the Period of Insurance in any communication given to the public including by way of any form of print, media, radio, television broadcast, telecommunication, publication, electronic mail, internet or exhibit.
Aircraft	Any machine intended to travel in the atmosphere or space.
Breakdown	Any sudden and unintended failure of an item, or part of any item, of machinery or electronic equipment resulting in damage to the item which requires the repair or replacement of the item or part of the item in order for it to perform as intended. Breakdown does not include: <ul style="list-style-type: none"> • depletion, deterioration, corrosion or erosion of any material which is part of the equipment; • vibration or misalignment; • the malfunctioning of any safety or protective device; or • the failure of any structure or foundation, other than a bedplate, which is there to support the machinery or electronic equipment.
Building	Any buildings and improvements at the Location, including: <ul style="list-style-type: none"> • outbuildings, carports, verandas, gates, paths and roadways; • permanently fixed transportable buildings or shipping containers: <ul style="list-style-type: none"> - fully enclosed by a locked fenced area at the Location; and - secured with padlocks rated 6 or above under AS4145; • services to the buildings; and • lessor's fixtures and fittings, but not: <ul style="list-style-type: none"> • property in an underground mine; • land, dams, reservoirs, bridges, canals, tunnels, railway tracks, paths not at the Location; or • machinery, Stock or Contents.
Business	Your business, trade or occupation as specified on the Policy Schedule.
Computer System	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.

Word	Meaning
Communicable Disease	<p>Means:</p> <ul style="list-style-type: none"> • highly pathogenic avian influenza in humans; • influenza with pandemic or epidemic potential; • any disease determined by the world health organisation to be a public health emergency of international concern (PHEIC); • any disease determined to be a “listed human diseases”, or any disease in respect of which a “biosecurity emergency” or “human biosecurity emergency” is declared, under the Biosecurity Act 2015 (Cth) including any amendment, replacement, re-enactment, successor, equivalent or similar legislation including delegated legislation; • rabies; or • cholera.
Contents	<p>Your contents at the Location, including:</p> <ul style="list-style-type: none"> • antiques, curios and works of art limited to \$5,000 for any one article, unless they are specified on the Policy Schedule; • customers’ goods You are responsible for or You agreed to insure; • improvements You make to the leased Buildings, unless the landlord is to reimburse You if they are damaged; • lessors’ fittings, fixtures and fixed floor coverings You are responsible for, unless covered under ‘Buildings’ above; • machinery, plant and equipment and Business furniture; • Stock in trade and merchandise. <p>Contents does not include:</p> <ul style="list-style-type: none"> • any animal, plant or other living organism; • bridges, tunnels, canals, dams, roadways, land, railway tracks not at the address, jetties, pontoons, wharves, docks, piers or similar structures; • explosives or property located in an underground mine; • jewellery, bullion, furs or articles containing precious metal (other than Stock); • motor Vehicles, Aircraft or Watercraft (other than Stock); or • Money, stamps or security documents.
Controlling Interest	The beneficial ownership of shares in a company carrying more than 50% of votes capable of being cast.
Damage or damaged	Accidental physical damage, destruction or loss.
Data	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.
Electronic Equipment	<p>Any of the following equipment provided it is owned, leased, operated or controlled by You and used in Your business:</p> <ul style="list-style-type: none"> • office machines owned by You or for which You are legally responsible; • computer equipment • any electronic machine, device or instrument used for research, diagnosis or medical treatment; • telecommunication transmission and receiving equipment; • lighting facilities, audio visual, amplification and surveillance equipment;
Employee	Anyone You engage under a contract of service or apprenticeship unless they are not defined as a worker under applicable workers compensation legislation.

Word	Meaning
Flood	The covering of normally dry land by water that has escaped or been released from the normal confines of any of the following: <ul style="list-style-type: none"> • a lake (whether or not it has been altered or modified); • a river (whether or not it has been altered or modified); • a creek (whether or not it has been altered or modified); • another natural watercourse (whether or not it has been altered or modified); • a reservoir; • a canal; • a dam.
Gross Profit	the Gross Profit is income for goods and services and rent received in the course of the Insured's Business less cost of sales. The Gross Profit is calculated as an industry Gross Profit Percentage for the ANZSIC of Your business against the turnover of the business for the 12 months before the damage occurred.
Indemnity Period	means the period that starts with the occurrence of damage that causes the interruption to Your Business and ends no later than the number of months shown in the Schedule during which the interruption to Your Business occurs.
Income	means Money paid, or owing, to You in the course of the Business for: <ul style="list-style-type: none"> • rent and any outgoings specified in the lease; or • goods and services.
Insured	The person(s), company(s) or other entities specified in the Policy Schedule as the "Insured" who enter into the Policy with Us. They are the contracting insured(s) with whom We enter into the Policy.
Limit of liability	The applicable limit of liability specified on Your Policy Schedule. If more than one limit is shown, then only the single highest limit is applicable.
Location(s)	The place(s) listed on You Policy Schedule where You carry out the Business.
Machinery	Any of the following equipment provided it is owned, leased, operated or controlled by You and used in Your business: <ul style="list-style-type: none"> • any boiler, fired or unfired pressure vessel normally subject to vacuum or internal pressure (other than static pressure of contents) any refrigerating or air conditioning vessels and piping or any other piping and its accessory equipment, but not including any: <ul style="list-style-type: none"> - boiler foundation, any refractory or insulating material; - part of a boiler or fired pressure vessel that does not contain steam or water; or - buried piping, any drainage piping, any sprinkler piping and its accessory equipment; • any mechanical or electrical equipment that generates, transmits or utilises mechanical or electrical power, but not including: <ul style="list-style-type: none"> - any vehicle, or mobile equipment; - any watercraft or aircraft; or - any elevator or escalator
Market Value	The value of Stock or other goods at the time of the loss if it had been sold or purchased in the normal course of business.
Money	Cash, notes, cheques, postal notes, negotiable instruments, negotiable securities, post office money orders, or credit card sales vouchers.
Occurrence	An event resulting in Property Damage or Personal Injury or Advertising Liability, which You neither expected nor intended. The following count as one occurrence:

Word	Meaning
	<ul style="list-style-type: none"> any Property Damage or Personal Injury or Advertising Liability caused by repeated or continuous exposure to substantially the same general conditions; Advertising Liability caused by the same injurious material or act, no matter the number or kinds of media involved, frequency or repetition of publication or the number of claimants.
Period of Insurance	The period shown on Your Policy Schedule.
Personal Injury	<p>Any:</p> <ul style="list-style-type: none"> assault or battery; death; false arrest, false imprisonment or malicious prosecution; defamation unless arising out of Advertising Liability; injury, illness or disability, either bodily or mental; shock, fright and mental anguish; or trespass onto land or eviction from land, caused by an Occurrence during the Period of Insurance.
Policy	Includes this PDS, any Supplementary PDS, Your Policy Schedule and any document We issue that amends Your Policy Schedule.
Policy Schedule	The schedule of insurance issued by Us which sets out important details of the Policy such as who is insured, the section(s) of cover provided, the Period of Insurance, the Limits of Liability, excesses and other important information.
Pollution	The dispersal, release, discharge, migration, escape or seepage of any liquid, solid, fumes, vapour, contaminant, waste or gas or thermal irritant into or upon land, or any water course or body of water, or into the atmosphere.
Products	<p>Any goods that have left Your possession and control which You or the previous owners of the Business have (or are deemed to have):</p> <ul style="list-style-type: none"> bottled, packaged or labelled; grown, extracted, manufactured, processed, produced, installed, or constructed; serviced, repaired, or treated; or sold or distributed, <p>including any container other than a Vehicle.</p>
Property Damage	<p>Any:</p> <ul style="list-style-type: none"> physical damage to property, including any resulting loss of use of that property; or loss of use of property which has not been physically damaged, lost or destroyed; <p>caused by an Occurrence during the Period of Insurance.</p>
Safe or Strong Room	A container or structure which has been specifically designed for the safe storage of Money or valuables and is designed compliant with the Australian Standards to resist unauthorised opening by handheld or power operated tools and protect the Contents against fire.
Silica	Silica means silicon dioxide, (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
Stock	<p>The following which You own or have agreed to insure:</p> <ul style="list-style-type: none"> Products and material You intend to sell; raw or consumable materials used by You to make or alter Your Products; <p>and</p>

Word	Meaning
	<ul style="list-style-type: none"> • goods held in trust or on consignment or commission.
Tax Audit Costs	means professional fees paid to accountants or registered tax agents who are not Your Employees, for work undertaken in connection with the audit or investigation.
Terrorism	<p>Any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:</p> <ul style="list-style-type: none"> • involves violence against one or more persons; • involves damage to property; • endangers life other than that of the person committing the action; • creates a risk to health or safety of the public or a section of the public; or • is designed to interfere with or to disrupt an electronic system.
Vehicle	Any machine propelled mechanically on wheels or self-laid tracks, including a trailer that can be attached to it or other attachment made or intended to be drawn by it.
War	War or warlike activities including invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power, looting, sacking or pillage following any of these, or the expropriation of property.
Watercraft	Any vessel that floats or travels on or under water.
We, Us, Our	RAC Insurance Pty Ltd ABN 59 094 685 882 AFSL 231222 ('RAC Insurance'), including when acting through their agent Clover or any other agent appointed by Us from time to time.
You, Your	<ul style="list-style-type: none"> • the Insured; and • in relation to the cover provided under the Business Liability section and any Policy terms relevant to that cover includes: <ul style="list-style-type: none"> - all subsidiaries domiciled in Australia in which the Insured has a Controlling Interest but only to the extent that they are engaged in carrying on the Business, or activities which are substantially of the same kind or related to the Business; - the Insured's and its Australian subsidiaries' who are covered in the point above: <ul style="list-style-type: none"> ▪ Employees, directors, partners, executive officers, volunteers, work experience students and shareholders acting in such capacity within the scope of their duties; ▪ directors and senior executives for private work undertaken by Employees and such directors or senior executives; ▪ office bearers and members of social or sporting clubs, first aid, canteen and welfare organisations, fire and ambulance services formed with the Insured's or its Australian subsidiaries' consent for liability arising from their duties as office bearers and members;

Word	Meaning
	<ul style="list-style-type: none"> <li data-bbox="531 239 1390 409">▪ partners, joint venture partners, co-venturer or joint lessees for liability incurred as the partnership, co-venture or joint lease, joint venture, provided the partnership, co-venture or joint lease joint venture has been notified to Us within sixty (60) days of formation and has been endorsed on the Policy Schedule; and <li data-bbox="531 416 1390 580">▪ principals for liability for the acts or omissions of the Insured or its Australian subsidiaries in their performance of work for those principals, subject to this Policy's extent of cover and Limit of Liability and only to the extent of the Insured's or its Australian subsidiaries' direct liability.

Privacy, complaints and other important information

Privacy

We collect, store and use personal information in accordance with the *Privacy Act 1988* (Cth) and as set out below.

If You provide Us with personal information about another person You must only do so with their consent and agree to make them aware of this privacy notice.

We use and require personal information to consider Your insurance application and any subsequent application for insurance, issue and administer Your Policy and investigate and assess any insurance claim. For the purposes of doing so, personal information may be passed to, or received from, a joint policyholder, assessors, investigators, repairers, suppliers, contractors, other insurance companies, insurance reference bureaus, law enforcement agencies, Our related companies, legal and professional advisers, IT providers, and their agents, some of whom may be overseas.

You may tell the RAC Insurance or Us not to use Your personal information for these promotional purposes at any time by contacting by contacting Us at GPO Box 3226 Sydney NSW 2001.

If the interest of a financier is noted on Your Policy, You consent to Us providing details of Your Policy and its currency to the financier.

If You would like to review or correct the personal information We have about You, or if You wish to make a privacy complaint, please call RAC Insurance on 13 17 03 or call Us on 02 9000 6180.

For further information, see the:

- RAC Insurance Privacy Policy at www.rac.com.au; and
- Clover Privacy Policy at www.cloverinsure.com.au/privacy.

General Insurance Code of Practice

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

RAC Insurance is a signatory to the Code.

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

The Code Governance Committee (**CGC**) is an independent body that monitors and enforces insurers compliance with the Code. For more information on the CGC, go to <https://insurancecode.org.au>.

Financial Claims Scheme

The purpose of the Financial Claims Scheme (**FCS**) is to protect certain policyholders and claimants in the event an insurer becomes insolvent and cannot pay its obligations under the Policy. A person entitled to claim may be entitled to payment under the FCS, subject to meeting eligibility criteria. Information about the FCS can be obtained from <http://www.fcs.gov.au>.

Resolving complaints and disputes

We take great pride in Our products and services. If You aren't satisfied with Our products or the services provided to You, please contact Your insurance broker in the first instance.

If Your concern is still not resolved to Your satisfaction, please contact Us by:

Phone: 02 9000 6180; or

Email: feedback@Cloverinsure.com.au

We will handle any issues in accordance with Our complaint and dispute resolution process.

We will acknowledge receipt of Your complaint, and if We require additional information, We will contact You. We will seek to resolve Your complaint promptly and will keep You informed of the progress at least every 10 business days.

A final decision will be provided to You within 30 calendar days of the date on which You first made the complaint, unless certain exceptions apply. You may refer Your complaint to the Australian Financial Complaints Authority (**AFCA**), if Your complaint is not resolved to Your satisfaction within 30 calendar days of the date on which You first made the complaint. You can contact Us if You want more information on Our procedures.

AFCA

The AFCA is a free independent external disputes resolution service provided to customers to review and resolve complaints, subject to its rules.

You can contact AFCA by:

Phone: 1800 931 678

Email: info@afca.org.au

Website: www.afca.org.au

Mail: Australian Financial Complaints Authority GPO Box 3, Melbourne, VIC 3001

You may refer a complaint to the AFCA at any time however Your complaint must be referred to AFCA within 2 years of the final decision, unless AFCA considers special circumstances apply. Whether Your complaint is eligible for consideration by AFCA or not, You can seek independent legal advice. You can also access any other external dispute resolution or other options that may be available to You.

Cooling-off period

If the Insured cancels a new or renewed Policy:

- before it starts, We will return any premium paid in full; or
- within 14 days of it starting, We will return any premium paid provided You have not exercised any of Your rights under the Policy (for example, if You made a claim) during this time.

Even after the cooling-off period ends the Insured still has cancellation rights as set out in the Important Information section of the Policy under the heading 'Cancelling the Policy'.

General information about taxation implications

The premiums You pay for Your Clover Business Insurance Policy may be tax deductible and any payments You receive, including benefits and premium refunds, may be assessable.

This is general information only and You should seek advice from Your accountant or taxation adviser regarding Your particular circumstances.

The Policy makes provision for payment of Goods and Services Tax by the Insured in relation to premiums and by Us in relation to claims. For further information see the Claims section – ‘GST’ on page 42.

Financial Services Guide

This Financial Services Guide (**FSG**) is an important document designed to help You make an informed decision about the financial services offered by Clover Insurance Pty Ltd ABN 19 653 550 371, AFSL 538528 (**Clover**). All references to 'We', 'Us', 'Our' in this FSG are references to Clover.

It contains information about the financial services We offer You, who We act for in providing these services, how We and others are compensated for these services, and how to reach Us if You have any questions or complaints.

Who We are and Our authorised financial services

Clover holds an Australian Financial Services (**AFS**) licence that allows Us to provide You with general financial product advice about general insurance products, arrange for the issue of general insurance products and provide claims handling and settling services. Clover is responsible for the provision of these services under its own AFS licence. You can contact Us by phoning 02 9000 6180 or emailing feedback@Cloverinsure.com.au.

As an underwriting agency, Clover acts under a binder authority from RAC Insurance Pty Ltd ABN 59 094 685 882, AFSL 231222 (**RAC**), who is the insurer. This means that Clover can bind RAC and can handle and settle claims on behalf of RAC.

Clover acts for RAC when providing these services. Any advice given to You by Clover about any insurance products will be of a general nature only and will not consider Your personal objectives, financial situation or needs. Before taking any action to acquire an insurance product from Clover, You need to determine whether the product is suitable for You.

Other documents You may receive

In addition to this FSG, We may provide You with additional information depending on the type of product or service You choose, including the relevant Product Disclosure Statement (**PDS**).

The PDS explains the significant benefits and features of the insurance product and the rights, terms and conditions attached to it. The aim of the PDS is to assist You to compare insurance products so that You can make an informed decision about whether or not to acquire the product.

How We are paid

When a Clover insurance product is issued to You, We charge You a premium for that product based on Your risk profile and circumstances. The total amount You will pay is the premium plus any amount payable in relation to any Stamp Duty, GST and other government charges, taxes, fees and levies.

If You take out a Clover insurance product, a commission of up to 10% may be payable to Clover. The commission will also be paid on any variations to Your policy and on renewal. The commissions paid to Clover are included as part of Your premium.

Clover may also charge an agency fee. This agency fee will be noted on Your policy schedule.

Clover staff (including directors) are paid an annual salary, and may also receive bonuses, or other incentives based on their performance as measured across various attributes.

Further information

For more information about remuneration or other benefits received for the financial products and services provided, please ask Your insurance broker or contact Us using the details noted above within a reasonable time of receiving this FSG and before You choose to buy a Clover insurance product.

Compensation arrangements

The *Corporations Act 2001* (Cth) requires AFS licensees to have arrangements for compensating retail clients for losses they suffer as a result of a breach by the licensee or its representatives of Chapter 7 of this Act, unless an exemption applies.

Clover has professional indemnity insurance arrangements in place that comply with the requirements of the section 912B of the *Corporations Act 2001* (Cth). This insurance covers Us and Our employees (including after they have left Our employment) for claims made against us by clients as a result of the conduct of Us and Our employees in the provision of financial services. You do not have a direct right to claim under this insurance.

Privacy

You can refer to page 50 of the PDS for information on how We collect, store and use personal information in accordance with the *Privacy Act 1988* (Cth).

Our complaints process

We take great pride in Our products and services. If You aren't satisfied with Our products or the services provided to You, please contact Your insurance broker in the first instance.

If Your concern is still not resolved to Your satisfaction, You can refer to Our complaint process on page 51 of the PDS.

AFCA

The AFCA is a free independent external disputes resolution service provided to customers to review and resolve complaints, subject to its rules. For more information on AFCA please refer to page 51 of the PDS.

Clover Insurance

Details

Clover Insurance Pty Ltd
ABN 19 653 550 371
AFS Licence no. 538528

GPO Box 3226
Sydney, NSW 2001

P: 02 9000 6180

E: underwriting@cloverinsure.com.au

W: <https://cloverinsure.com.au>

Claims

P: 02 8233 3187

E: cloverclaims@insurx.com.au

