PRORISK

General Property

Insurance Policy Wording

IMPORTANT NOTICES

Preparation Date: 09 December 2024

1. Introduction

The Insurer

The **ProRisk** General Property Insurance **Policy** is issued by Professional Risk Underwriting Pty Ltd ABN 80 103 953 073 AFSL 308076 ("**ProRisk**") on behalf of the **Underwriters**.

How To Contact Us

We can be contacted by telephone or in writing at:

ProRisk

Level 2, 115 Bridge Road
Richmond VIC 3121
Email: enquiries@prorisk.com.au
Phone: (03) 9235 5255
Fax: 1800 633 073

Your Insurance Broker will arrange this insurance for **You**. If **You** have any questions about the **Policy**, or **You** wish to contact **ProRisk**, please contact **Your** Insurance Broker for assistance.

The Policy

The **Policy** is an important document. The **Policy** wording and **Schedule** together set out the cover provided, the amount insured and the terms and conditions of **Your** insurance. Please read the **Policy** carefully and keep it in a safe place.

ProRisk

Professional Risk Underwriting Pty Ltd ABN 80 103 953 073 AFSL 308076, has the authority to bind this **Policy** on behalf of the **Underwriters**.

Insurer May Not Refuse to Pay a Claim in Certain Circumstances

Section 54 of the *Insurance Contracts Act 1984* (Cth) provides that **We** cannot refuse to pay a claim in certain circumstances:

(a) by reason only of an act (or failure to act) of **You** or another person, if that act (or failure to act), which occurred after the **Policy** was entered into, did not cause any part of the loss giving rise to the **Claim**. For example, if **You** have failed to satisfy a technical requirement of the **Policy** but can prove that this technical breach could not have reasonably caused or contributed to the loss (that is the subject of **Your Claim)**, **We** cannot refuse the **Claim**; or

(b) where the act was necessary to protect a person's safety, to preserve property or if it was not reasonably possible for the person not to do the act.

We can reduce **Our** liability for the **Claim** by the amount that fairly represents the extent to which **We** were prejudiced as a result of **Your** actions or **Your** failure to act.

Your Duty of Disclosure

Section 21 of the Insurance Contracts Act 1984 (Cth) provides that before **You** enter into a contract of general insurance with an insurer, **You** have a duty to disclose to the insurer every matter that **You** know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, upon what terms. **You** have the same duty to disclose those matters to the insurer before **You** renew, extend, vary or reinstate a contract of general insurance.

Your duty, however, does not require disclosure of matter:

- that diminishes the risk to be undertaken by **Us**;
- that is of common knowledge;
- that **We** know, or in the ordinary course of business, ought to know;
- where **We** waive **Your** duty of disclosure.

Non-Disclosure

If **You** fail to comply with **Your** duty of disclosure, **We** may be entitled to reduce **Our** liability under the contract in respect of a **Claim** or **We** may cancel the contract. If **Your** non-disclosure is fraudulent, **We** may also have the option of avoiding the contract from its beginning.

Privacy Collection Statement

ProRisk is bound by the obligations of the *Privacy Act 1988* (Cth) regarding the collection, use, disclosure and handling of personal information.

We collect personal information about **You** and about other individuals to enable **Us** to provide **You** with relevant products and services, to assess **Your** application for insurance and, if a contract is entered, to enable **Us** to provide, administer, and manage the **Policy**, and to investigate and handle any claims under the **Policy**. **We** may disclose personal information **We** collect to third parties (who may be located in the United Kingdom and other countries outside Australia). These include the insurer, lawyers, claims adjusters, and others appointed by **ProRisk** to assist **Us** in providing relevant products and services. **We** may also disclose **Your** information to people listed as co-insured on the **Policy** and to **Your** agents. By providing **Your** personal information to **Us**, **You** consent to **Us** making these disclosures.

If **You** do not provide all or part of the information required, **We** may not be able to provide **You** with **Our** products and services, consider **Your** application for insurance, administer the **Policy**, assess or handle claims under the **Policy**. **Your** Duty of Disclosure may require **You** to provide personal information to **Us**.

When **You** provide **Us** with personal information about other individuals, **We** rely upon **You** to have made them aware of that disclosure, and to ensure that they are aware of the matters set out in this **ProRisk** Privacy Statement and **ProRisk's** Privacy Policy and have consented to the disclosure.

Further information about **ProRisk's** collection, use, disclosure and handling of personal information is set out in its Privacy Policy, available on its website at www.prorisk.com.au. To obtain a hard copy of our Privacy Policy or to request access to or correction of or to update personal information, contact the Privacy Officer at **ProRisk** by email: enquiries@prorisk.com.au or by mail at the address shown on the **Policy**.

General Insurance Code of Practice

ProRisk and **Underwriters** proudly support the General Insurance Code of Practice. The purpose of the Code is to raise standards of practice and service in the general insurance industry. A copy of the Code can be obtained from www.codeofpractice.com.au

The **Policy** and the **Schedule** are Insurance Council of Australia's General Insurance Code of Practice compliant, apart from any claims adjusted outside Australia.

Financial Hardship

We will review any Financial Hardship application in accordance with the General Insurance Code of Practice and any applicable guidelines.

Complaints Handling

Any enquiry or complaint relating to this Insurance should be referred to **ProRisk** in the first instance. **We** have a complaints handling and internal dispute resolution process to assist **You**, and information about **Our** complaints handling procedures is available upon request. If this does not resolve the matter or **You** are not satisfied with the way a complaint has been dealt with, **You** should write to the Complaints Department of the

Underwriters:

The Complaints Manager
Swiss Re International SE, Australia Branch
Level 36, Tower Two, International Towers Sydney
200 Barangaroo Avenue, Sydney NSW 2000
Telephone: (02) 8295 9500
Email: complaints_anz@swissre.com

Complaints that cannot be resolved by the Complaints Department of the **Underwriters** may be referred to the:

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

Further details will be provided at the appropriate stage of the complaints process.

Australian Terrorism and Cyclone Insurance Act 2003 (Cth) Notice (NMA2984A)

Underwriters have treated this insurance (or part of it) as an insurance to which the Australian Terrorism and Cyclone Insurance Act 2003 (Cth) (ATACIA) and any subsequent amendments, including any successor, replacement or equivalent legislation applies.

ATACIA and the supporting regulations made under the Act deem cover into certain policies and provide that the Terrorism exclusion to which this insurance is subject shall not apply to any "eligible terrorism loss" as defined in ATACIA.

Any coverage established by ATACIA is only in respect of any "eligible terrorism loss" resulting from a "terrorist act" which is a "declared terrorist incident" as defined in ATACIA. The terrorism exclusion, to which this insurance is subject applies, with full force and effect to any other loss and any act or event that is not a "declared terrorist incident".

All other terms, conditions, insured coverage and exclusions of this insurance including applicable limits and deductibles remain unchanged.

If **Underwriters** have reinsured this insurance with the Australian Reinsurance Pool Corporation, then **Underwriters** will not be liable for any amounts for which they are not responsible under the terms of ATACIA due to the application of a "reduction percentage" as defined in ATACIA which results in a cap on **Underwriters** liability for payment for "eligible terrorism losses".

Policy Coverage

The **Policy** covers Business Special Risks otherwise known as general property. Depending on the option which **You** choose, this section covers **Items** specified in the Schedule for accidental **Damage** or against fire, theft and other specified events.

This policy contains some specific limitations and exclusions. There are also general exclusions. **You** should read the whole of this document carefully and ensure that it meets **Your** requirements.

Words with Special Meanings

Words are sometimes capitalised, bolded or italicised to show that words are abbreviations or have a particular defined meaning, please refer to the Definitions contained in this introduction, and in the policy to obtain the full meaning of these terms.

How to Make a Claim

If **You** need to make a claim against this **Policy**, please refer to General Terms & Conditions 5.5 'Claims Procedures' of the **Policy**. If **You** have any queries, please contact **Your** intermediary or **Us** as soon as possible.

Goods & Services Tax

The **Sum Insured** that **You** choose should exclude Goods and Services Tax ("GST").

In the event of a claim, if **You** are not registered for GST, **We** will reimburse **You** the GST component in addition to the amount **We** pay **You**. If **You** are registered for GST, **You** will need to claim the GST component from the Australian Taxation Office.

Input Tax Credit	Claim Settlement
0%	Settled inclusive of GST
100%	Settled less GST
80%	Settled less 80% of the GST

You must advise **Us** of **Your** correct input tax credit percentage where **You** are registered as a **Business** and have an Australian Business Number. Any GST liability arising from **Your** incorrect advice is payable by **You**.

Headings

Headings have been included for ease of reference, but do not form part of the **Policy**.

2. General Terms & Conditions

The following general terms and conditions apply to **Your Policy**:

2.1 **Precautions**

You must take all reasonable care to prevent or minimise loss or damage.

2.2 **Cancellation**

We will only cancel this **Policy** as permitted by law.

The **Policy** may otherwise be cancelled in writing following mutual agreement between **Us** and **You**.

You may cancel this **Policy** at any time in writing to **Us**. In the event of cancellation, **We** will retain the earned proportion of the premium calculated pro rata as at the date of cancellation, provided **We** will always retain a minimum of 25% of the **Premium**.

2.3 **The Premium**

We will refund **You** the proportion of **Premium** for the unexpired portion of the **Insurance Period** less any tax or duty paid or owing for which **We** are unable to obtain a refund.

2.4 **Premium Funders**

If the **Premium** has been funded by a premium funding company which holds a legal right over the **Policy** by virtue of a notice of assignment and irrevocable power of attorney, a refund will be made to the premium funding company of the proportionate part of the **Premium** applicable to the unexpired portion of the **Insurance Period**.

2.5 **Claims Procedures**

You must not negotiate, admit or deny any claim without **Our** written permission.

When an event happens that is likely to result in a claim under the **Policy**, **You**, or any other person or party covered by the **Policy**, must:

2.5.1 take all reasonable precautions to prevent further loss, damage, injury, illness or liability;

2.5.2 inform the police as soon as reasonably practicable if property is lost, stolen or maliciously damaged;

2.5.3 notify **Us** as soon as reasonably practicable of the event;

2.5.4 provide **Us** with reasonable written details of the event within 30 days of learning that the event happened;

2.5.5 supply **Us** with all information and assistance as **We** may reasonably require;

2.5.6 allow **Us** to use any legal rights held by **You** or held by any other party covered by **Your Policy,** although **We** will only use these legal rights after consulting with **You** and will exercise them reasonably;

2.5.7 as far as possible (although not where it would be dangerous to do so) preserve any products, appliances, plant or other items which might prove necessary or useful as evidence until **We** have had a reasonable opportunity of inspection.

2.6 **Payments in respect of Goods and Services Tax**

When **We** make a payment to **You** or on **Your** behalf under the **Policy** for the acquisition of goods, services or other supplies, **We** will reduce the amount of the payment by the amount of any input tax credit that **You** are, or will be, or would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999, in relation to that acquisition, whether or not that acquisition is actually made.

When **We** make a payment to **You** or on **Your** behalf under the **Policy** as compensation instead of payment for the acquisition of goods, services or other supplies, **We** will reduce the amount of the payment by the amount of any input tax credit that **You** are, or will be, or would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 had the payment been applied to acquire such goods, services or supplies.

2.7 **Payment of Excess**

When **You** have a claim under this **Policy You** must pay the **Excess** amount in accordance with the terms and conditions applicable. Limits and sub-limits of the **Sum Insured** shall apply in addition to, and shall not be reduced by, the amount of any applicable **Excess**.

Only one **Excess** will apply to all damage resulting from earthquake, subterranean fire, volcanic eruption, bushfire, storm, hail or rainwater that is continuous, is due to the same general conditions, and occurs within a 72-hour period from the first happening of damage.

2.8 **Progress Payments**

If a claim is covered by the **Policy**, **We** will make reasonable progress payments to **You** or on **Your** behalf at such stages as **You** or **Us** may agree.

2.9 **Interests of Other Parties**

When the **Policy** covers the interests of more than one party, any act or failure to act of an individual party will not prejudice the rights of the remaining parties, provided that the remaining parties as soon as reasonably practicable on becoming aware of any act or failure to act relevant to **Our** acceptance of the risk or which increases the risk of loss, damage or liability, give notice in writing of the circumstances to **Us** and agree to pay such reasonable additional **Premium** as **We** may require.

2.10 **Fraudulent Claims**

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

2.11 **Non-Disclosure or Misrepresentation**

If **You** make a misrepresentation to **Us** or if **You** do not comply with **Your** duty of disclosure and **We** issue the **Policy** with terms and conditions that are different to the terms and conditions that would have been issued had there not been any misrepresentation and **Your** duty of disclosure had been complied with, then:

2.11.1 **We** may reduce our liability under the **Policy** so that **We** are placed in the same position as **We** would have been in had there not been any misrepresentation and **Your** duty of disclosure had been complied with; or

2.11.2 **We** may cancel the **Policy**; or

2.11.3 if the misrepresentation or **Your** non-disclosure was fraudulent, **We** may avoid the **Policy.**

2.12 **Other Insurance & Contribution**

When **You** make a claim on the **Policy You** must also supply **Us** with written details of all policies that may cover or partially cover that claim.

2.13 **Notifications**

All notices and communications must be made or confirmed in writing by **You** or **Your** intermediary. Other forms of communication will not be acted upon by **Us** until confirmed in writing by **You** or **Your** intermediary.

2.14 **Proper Law & Jurisdiction**

The construction, interpretation and meaning of the provisions of the **Policy** shall be determined in accordance with the laws of **Australia** and the Australian State or Territory in which the **Policy** is issued. In the event of any dispute arising under this **Policy**, including but not limited to its construction, validity, performance and/or interpretation, **You** will submit to the exclusive jurisdiction of any competent court in the Commonwealth of Australia.

2.15 **Geographical Limits**

The cover provided under the **Policy** is limited to loss or **Damage** which occurs in **Australia**.

2.16 **Sanctions Limitation**

We will not be liable under this **Policy** to make any payment or to provide any other benefit to the extent that trade or economic sanctions or other laws or regulations prohibit **Us** from providing insurance

BUSINESS SPECIAL RISKS POLICY

Our Agreement

Subject to all of the terms and conditions contained in the **Policy** and payment of the **Premium**, **We** will provide **You** with the cover shown in the **Policy** up to the amount shown in the **Schedule** or any lesser limit specified in **Your Policy**. Coverage is limited to the **Insurance Period** indicated in the **Schedule**.

3. Cover Options

We will pay up to the **Sum Insured** for the cost of repairing or replacing Items that are **Damaged** during the **Insurance Period**.

You may choose one of the two cover options to insure **Your** property.

3.1 **Cover Option A - Accidental Damage**

When this cover is specified in the **Schedule We** will insure the **Items** described in the **Policy Schedule** against any unforeseen accidental physical damage, which includes all insured events provided by Cover Option B.

3.2 **Cover Option B - Fire, Theft, Collision and Other Specified Events**

When this cover is stated in the **Policy Schedule**, **We** will insure the **Items** described in the **Policy Schedule** for loss or **Damage** caused by:

3.2.1 fire, lightning, explosion, malicious **Damage** or vandalism;

3.2.2 theft following forcible and violent entry which causes visible **Damage** to a locked vehicle or **Building**;

3.2.3 theft of equipment securely attached to a vehicle through use of locks or padlocks, which results in visible damage to the securing devices;

3.2.4 collision or overturning of the conveying vehicle.

4. Additional benefits

4.1 **Approved Claim Preparation Costs**

In addition, **We** will pay up to $25,000 for reasonable professional fees and such other expenses incurred by **You** for the preparation of a claim.

However, before **You** incur these claim preparation costs **You** must obtain **Our** written approval to incur these costs, which will not be unreasonably withheld.

4.2 **Emergency Mitigation Costs**

In the case of an emergency where **You** are required to prevent further loss or damage to **Your** property as a direct result of that emergency, and the property is covered by the **Policy**, **We** give **You** the authority to arrange these emergency repairs on **Our** behalf.

4.3 **Repairs to Damage by You**

When **We** agree that the repair of the **Damage** can be undertaken by **You** or **Your** employees, **We** agree to pay **Your** labour costs and overhead expenses subject to the limitations of cover referred to in Section 7 (Limitations of Cover) and Section 8 (Exclusions). However, **We** will not pay more than the amount required for a competent contractor to do the same work.

5. Definitions

The following definitions shall apply to the words used in the **Policy**.

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

5.2 **Australia** means the Commonwealth of Australia and all of its States and Territories including all external Territories, all referred to in this **Policy** as Australia.

5.3 **Building** means a permanently fixed structure that consists of a roof and external walls that completely enclose an area beneath the roof when doors and windows that form part of the structure are closed. Provided that when the word building is used in the **Schedule** to describe a category of property insured, it is agreed that the following property is included in that category:

5.3.1 carports, pergolas and canopies;

5.3.2 barns and out buildings;

5.3.3 storage sheds and tanks;

5.3.4 walls, fences, gates and letterboxes;

5.3.5 all permanent fittings and fixtures to any building;

5.3.6 external fixed items including:

5.3.7 swimming pools, saunas and spas;

5.3.8 gangways between buildings;

5.3.9 lights and signs; and

5.3.10 air conditioning units;

5.3.11 flag poles;

5.3.12 communications masts, aerials, antennae and dishes;

5.3.13 fixed floor coverings;

5.3.14 paths and driveways;

5.3.15 foundations of any building;

5.3.16 structural improvements to any building;

5.3.17 underground and above ground services connected to any building; and

5.3.18 piers and jetties.

5.4 **Business** means **Your** business, occupation, trade or profession as described in the **Schedule**.

5.5 **Contents** means all contents (including **Stock**) at the **Premises**, including property (other than **Buildings**) of others, and when the word Contents is used in the **Schedule** to describe a category of property insured, it is agreed that **We** accept the designations used in **Your** books and records.

5.6 **Damage** or **Damaged** means accidental physical damage, destruction or loss

5.7 **Employee Dishonesty** means the unlawful taking of property by **Your** employee, whether acting alone or in collusion with others, with the intent to:

5.7.1 cause loss to You; or

5.7.2 benefit any person or organisation other than **You**.

5.8 **Endorsement** means an individual endorsement document that **We** give **You** that attaches to and forms part of the **Policy**. This document varies the terms and conditions of the **Policy**.

5.9 **Excess** means the first amount of each claim. The amount of the **Excess** is shown in the **Schedule**.

5.10 **Flood** means the covering of normally dry land with water released or that has escaped from the normal confines of:

5.10.1 any watercourse, whether natural or altered;

5.10.2 any lake, whether natural or altered; or

5.10.3 any reservoir, canal or dam.

5.11 **Insurance Period** means the insurance period shown in the **Schedule**.

5.12 **Insured** means the entity named as the Insured in the **Schedule**.

5.13 **Item** or **Items** means an **Item** or **Items** that are shown in the **Schedule** whether unspecified or specified.

5.14 **Money** means coins, bank notes or negotiable instruments such as, but not limited to, cheques, stamps, money orders, vouchers and tickets and which is the property of the **Business**.

5.15 **Policy** means this document, including the policy wording, any **Endorsements** to it, the **Schedule**, the **Proposal** and any other documents that **We** issue to **You** and advise **You** that they form part of the **Policy**.

5.16 **Pollutant** means any solid, liquid, gaseous or thermal irritant, including but not limited to smoke, vapour, soot, fumes, acid, alkalis, chemicals or waste. Waste includes but is not limited to material to be recycled, reconditioned or reclaimed.

5.17 **Premises** means the premises at the location or locations shown in the **Schedule**.

5.18 **Premium** means the amount(s) shown in the **Schedule** that **You** have to pay inclusive of all charges for the cover **We** provide under the **Policy**.

5.19 **Proposal** means the proposal document **You** complete for this insurance.

5.20 **Schedule** means the schedule document that **We** give **You** that attaches to and forms part of **Your Policy**.

5.21 **Specified Items** means the items specified as such in the **Schedule**.

5.22 **Stock** means all stock at the **Premises**, including work in progress and property of others held on consignment, and when the word Stock is used in the **Schedule** to describe a category of property insured, it is agreed that **We** accept the designations used in **Your** books and records.

5.23 **Sum Insured** means the retail or market value of property of a similar type, age and condition to the **Damaged** or destroyed Items at the time of the **Damage**:

5.23.1 adjusted for any special features, and

5.23.2 having regard to used prices guides and any other relevant information.

5.24 **Underwriters** means Swiss Re International SE Australia Branch (AFSL 355088, ABN 38 138 873 211)

5.25 **We**, **Us** and **Our** means **ProRisk** on behalf of **Underwriters**.

5.26 **You**, **Your** or **Yours** means the person(s) or parties shown as the **Insured** in the **Schedule**, including all subsidiary companies, organisations and entities incorporated in **Australia** in which the **Insured** has a controlling interest (exceeding 50%) engaged in the **Business** described in the **Schedule** and not for any other purpose or activity.

6. Basis of Settlement

Unless otherwise specified in the **Policy Schedule**, claims will be settled on the basis of reinstatement and replacement and extra costs, as follows.

6.1 Reinstatement and replacement

Reinstatement and replacement shall mean:

6.1.1 where property (excluding **Stock** or customers' goods) is destroyed, the replacement thereof by similar property; or

6.1.2 where property (excluding **Stock** or customers' goods) is **Damaged**, the repair of the **Damage** and the restoration of the **Damaged** portion of the property.

In either case to a condition equal to but not better or more extensive than its condition when new.

The basis of settlement of any claim shall be the cost of reinstatement or replacement of the property destroyed or **Damaged** at the time of such destruction or **Damage** as follows:

6.1.3 the work of replacing or repairing, as the case may be, must be commenced and carried out as soon as reasonably practicable, failing which **We** shall be able to reduce the payment to the extent **We** are prejudiced by that delay.

6.1.4 when any property to which this clause applies is **Damaged** or destroyed in part only, **Our** liability shall not exceed the sum specified in the **Policy Schedule**.

6.1.5 no payment beyond the amount which would have been payable under this **Policy** shall be made until a sum equal to the cost of reinstatement shall have been actually incurred.

6.2 **Market Value**

Where **Items** consisting of **Stock** or customers' goods are destroyed or **Damaged**, **We** will, at **Our** option (which will be exercised reasonably):

6.2.1 pay the market value at the time of the loss or **Damage**;

6.2.2 replace or repair the **Stock** with property or materials of the same or similar standard and specification of the **Stock** or customers' goods at the time of loss or **Damage**;

6.2.3 pay the cost of repair or replacement.

6.3 **The Maximum Amount We Will Pay**

We will not pay more than the **Sum Insured** for any **Item You** have chosen to insure as shown in the **Policy Schedule** for that **Item**.

7. Limitations of Cover

7.1 **Excess**

You are liable for the **Excess** which is shown in the **Policy Schedule** for each and every event that results in **Damage**.

7.2 **Obsolete Items or Improvements**

If an **Item** cannot be purchased as a new Item or if an **Item** cannot be repaired or replaced without improving the output, capacity or efficiency of that **Item** then **We** will only pay the cost of replacing or repairing that **Item** less an amount equal to the value of any such improvement(s).

7.3 **Unspecified Items**

Cover for unspecified items is limited to a maximum amount of $2,500 for any one Item. Provided that **We** will not pay for excluded **Items**.

7.4 **Reduced Sum Insured**

The **Sum Insured** for the **Insurance Period** will be reduced by any payment made or due to be made under this **Policy**.

7.5 **Locked Vehicle Requirement**

It is a condition precedent to liability under the **Policy** that insured property whilst contained in a vehicle or trailer must be secured and locked, whilst in transit, whilst **You** are working on site and the vehicle is unattended, or away from site and the vehicle is unattended.

8. Exclusions

8.1 **Acquisition of Companies**

The **Policy** does not cover:

8.1.1 any other legal entity acquired during the **Insurance Period**; or

8.1.2 any property or liability belonging to associated with such legal entity or business undertaking or operation, except as stated below.

Provided that **We** have been notified in writing within 30 days of any acquisition, and the business undertaking of the other entity is similar to that of the **Business**, **We** will agree to provide cover subject to **Your** acceptance of **Our** terms and undertaking to pay the additional **Premium We** may reasonably require. **Our** liability shall not exceed the **Sum Insured** or any sub-limit applicable for each **Category** of **Property**.

8.2 **Aggravated, Punitive or Exemplary Damages, Fines or Penalties**

Your Policy does not cover any fines, penalties, exemplary, punitive, liquidated or aggravated damages or additional damages resulting from the multiplication of compensatory damages.

8.3 **Alteration of Risk**

If the risk of loss or damage covered by the **Policy**, is significantly increased by any alteration in the circumstances that affect **You** or **Your Business We** will not cover any claims that are caused by or arise from such alteration unless:

8.3.1 **You** did not know of the alteration; or

8.3.2 **You** have notified **Us** of the alteration, and **We** have agreed, acting reasonably, to accept the alteration to the risk. If **We** accept the alteration, to the extent it affects **Our** assessment of risk, **We** may apply additional terms and conditions. **We** shall be entitled to payment of reasonable additional **Premium**.

8.3.3 If **We** do not agree to cover the alterations, **We** may cancel this **Policy**.

8.4 **Asbestos**

The **Policy** does not cover any liability for:

8.4.1 personal injury arising directly or indirectly, out of or caused by, through or in connection with the inhalation of (including the fear of inhalation of, or exposure to) asbestos, asbestos fibres or derivatives of asbestos;

8.4.2 property damage, or loss of use or diminution in value of property, arising directly or indirectly, out of or caused by, through or in connection with asbestos, asbestos fibres or derivatives of asbestos; and

8.4.3 the cost of cleaning up, removing, treating, controlling, storing or disposing of asbestos, asbestos fibres or derivatives of asbestos.

Provided that this Exclusion shall not apply to Extension of Cover 14.8 (Extra Cost of Reinstatement).

8.5 **Excluded Causes**

We will not pay for **Damage** caused by or arising from or losses relating to:

8.5.1 mechanical, electronic or electrical breakdown or malfunction unless it occurs as a consequence of any other **Damage** to the insured **Item**;

8.5.2 cracking, scratching, denting, chipping, breakage of glass or fragile Items or surfaces, or other aesthetic defects that do not affect the operation or function of the **Item** unless it occurs as a consequence of any other **Damage** to the insured Item;

8.5.3 corruption or loss of data;

8.5.4 vermin or insects;

8.5.5 scratching, denting, chipping or other aesthetic defects that do not affect the operation or function of the **Item**;

8.5.6 gradually operating causes such as, but not limited to, the action of light or atmospheric conditions or gradually developing conditions, vibration, wear, tear and/or depreciation;

8.5.7 mildew, mould, corrosion, oxidation, fading, rusting or other forms of oxidisation, or any process of heating, drying, cleaning, dyeing or alteration although this Exclusion will not apply where **Damage** is caused by the radiant heat of a fire event not otherwise excluded; or

8.5.8 faulty materials, faulty workmanship or latent defect of which **You** were aware or ought reasonably to have been aware.

8.5.9 fraud or dishonesty by **You;**

8.5.10 fraud or dishonesty by others to whom **Items** insured are delivered, entrusted, loaned or rented where committed with **Your** express or implied authority or consent;

8.5.11 action of the sea, tidal wave, high water or **Flood**.

8.6 **Excluded Losses**

We will not pay for

8.6.1 any alteration, improvements or overhaul of any **Item**, even if it occurs during repair or replacement following **Damage** to the **Item** insured;

8.6.2 losses that are not directly associated with the incident that caused you to claim;

8.6.3 theft of property left in the open air;

8.6.4 theft from a **Building** or vehicle unless:

8.6.5 the **Building** or vehicle was securely locked, and

8.6.6 the theft follows forcible and violent entry which is evidenced by visible **Damage** to the **Building**, vehicle or securing devices;

8.6.7 loss, or **Damage** to documents, manuscripts, patterns, models, moulds, plans, designs, unless shown in the **Policy Schedule**;

8.6.8 loss, destruction or **Damage** caused by or arising whilst the conveying vehicle is engaged in racing, pace making, reliability trials or speed testing or is conveying any load in excess of that for which it was constructed.

8.7 Excluded Items

We will not pay for the following **Items** unless they are specified in the **Schedule**:

8.7.1 mobile plant, motorised vehicles, watercraft, video equipment;

8.7.2 **Stock**;

8.7.3 mobile telephones and radios, sporting equipment, aerial devices;

8.7.4 computers, electronic diaries, organisers or their accessories;

8.7.5 firearms; and

8.7.6 **Money**.

8.8 Obsolete or Redundant Plant & Equipment

The **Policy** does not cover obsolete or redundant plant and equipment (but not property categorised as **Stock**) that is no longer used in the **Business** provided that this exclusion shall not apply to items kept for spare parts.

8.9 Pollution

The **Policy** does not cover:

8.9.1 loss, damage, costs or expense, directly or indirectly arising out of the discharge, seepage, migration, dispersal, release or escape of **Pollutants** into or upon any property, land, the atmosphere or any watercourse or body of water (including ground water);

8.9.2 loss, damage, costs or expense, directly or indirectly arising out of the discharge, seepage, migration, dispersal, release or escape of **Pollutants** caused by any product that has been discarded, dumped, abandoned or thrown away by others;

8.9.3 the cost of removing, nullifying or cleaning up **Pollutants**;

8.9.4 the cost of preventing the escape of **Pollutants**.

Exclusion 8.9.1 and 8.9.2 above shall not apply where the loss arises from a sudden identifiable, unintended and unexpected event which takes place in its entirety at a specific time and place and occurs in Australia. However, the total aggregate limit of liability for all claims for each **Premises** during the **Insurance Period** shall not exceed the total **Sum Insured** stated in the **Schedule**.

8.10 Unoccupied Buildings & Premises

Except for loss or damage to insured property by lightning, earthquake and subterranean fire, the **Policy** does not provide any cover for or at a **Building** or **Premises** after that **Building** or **Premises** has been unoccupied for more than 90 consecutive days. Unoccupied means left vacant by **You** or any other authorised person whether furniture or other **Contents** remain or not.

Provided that:

8.10.1 cover will apply at an unoccupied **Building** or **Premises** if **We** have specifically agreed to this in writing;

8.10.2 cover will resume when that **Building** or that **Premises** is again occupied by authorised persons; and

8.10.3 **You** agree to pay **Us** any additional **Premium** that **We** may reasonably require.

8.11 War, Act of Terrorism, Confiscation, Radioactivity, Nuclear Perils

The **Policy** does not cover loss, damage, costs or expense, directly or indirectly caused by, resulting from or in connection with any of the following, regardless of any other cause or event contributing concurrently or in any other sequence thereto:

8.11.1 any war, hostilities whether war is declared or not, acts of foreign enemies, rebellion, revolution, civil war, invasion, insurrection or the use of military or

8.11.2 usurped power; or

8.11.3 any Act of Terrorism or any action taken in controlling, preventing, suppressing or in any way relating to any Act of Terrorism; or

8.11.4 any order of any government, public or local authority involving the confiscation, nationalisation, requisition, damage or destruction of any property unless such destruction was undertaken to reduce the spread of fire; or

8.11.5 radioactivity or any radioactive substances; or

8.11.6 nuclear fission or nuclear fusion.