

**WESFARMERS
GENERAL
INSURANCE LIMITED**
ABN 24 000 036 279

[Email: general@lumley.com.au](mailto:general@lumley.com.au)
[Website: www.lumley.com.au](http://www.lumley.com.au)

New South Wales

Lumley House
Level 9, 309 Kent Street
Sydney NSW 2000
Phone: (02) 9248 1111
Fax: (02) 9248 1122

50 Glebe Road
The Junction
Newcastle NSW 2291
Phone: (02) 4925 7500
Fax: (02) 4940 0295

Victoria

Level 3, 99 King Street
Melbourne VIC 3000
Phone (03) 8627 4333
Fax: (03) 8627 4312

Australian Capital Territory

Level 4, 10 Rudd Street
Canberra City ACT 2601
Phone: (02) 6279 0333
Fax: (02) 6279 0330

Tasmania

27 Paterson Street
Launceston TAS 7250
Phone: (03) 6331 5844
Fax: (03) 6331 1370

South Australia

465 Pulteney Street
Adelaide SA 5000
Phone: (08) 8228 1700
Fax (08) 8228 1777

Western Australia

50 St George's Terrace
Perth WA 6000
Phone: (08) 9220 8222
Fax: (08) 9220 8251

Queensland

Level 2, 99 Melbourne Street
South Brisbane QLD 4101
Phone: (07) 3307 4800
Fax: (07) 3307 4899

Level 5, Northtown Tower
Flinders Mall
Townsville QLD 4810
Phone: (07) 4722 6000
Fax: (07) 4724 4398

Northern Territory

Level 2, Beagle House
38 Mitchell Street
Darwin NT 0800
Phone (08) 8946 4600
Fax (08) 8946 4666

IMPORTANT INFORMATION

Please read this document carefully as it sets out the limits, exclusions, conditions and other terms that apply to this contract of general insurance. Our agreement with You is made up of Your proposal form or any other application for insurance and Our Policy document or any other document We give to You in writing. It is a condition of this Policy that You must pay Us the premium for this insurance.

You should keep Your Policy in a safe place together with receipts and other evidence of ownerships and value of items You have specified on the proposal form or any other application for insurance and for any other items of significant value.

If You need more information about this Policy please contact Your insurance agent or broker or Your local Lumley Insurance state office.

Duty of Disclosure

Before You enter into a contract of general insurance with an insurer, You have a duty at law to disclose to the insurer anything that You could reasonably be expected to know is relevant to the insurer's decision whether to accept the risk of insurance and if so, on 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 the insurer;
- that is of common knowledge;
- that Your insurer knows or, in the ordinary course of business, ought to know;
- as to which compliance with Your duty is waived by the insurer.

If You fail to comply with Your duty of disclosure, the insurer may be entitled to reduce its liability under the contract in respect of a claim or may cancel the contract.

If Your non-disclosure is fraudulent, the insurer may also have the option of avoiding the contract from its beginning.

Cooling Off

If You are not completely satisfied with Your Policy You may cancel it by notifying Us in writing within 21 days of cover having commenced. You will receive a refund of the amount You have paid unless something has occurred for which a claim may become payable under the Policy.

Confirming Transactions

You may contact Us or Your insurance agent or broker, in writing (which is always required if You are advising cancellation) or by phone, to confirm any transaction under Your Policy. Any transaction will be documented by Us as quickly as possible.

Code of Practice

A self-regulatory Code of Practice exists for the general insurance industry, designed to raise overall standards. Lumley Insurance has adopted the Code, details of which can be obtained from Your insurance agent or broker or any of Our offices.

Important Information – Cont'd

Complaints - Internal and External Complaints Procedure

If You do not agree with any decision We make in relation to Your insurance, please write to Us stating what You disagree with and why.

We will then either resolve or attempt to resolve Your complaint immediately or refer the matter to Our Internal Dispute Resolution Committee (IDRC).

If You are not satisfied with a claim decision by the IDRC, the matter may be referred to an independent alternate dispute resolution body, "Financial Ombudsman Services (FOS)" provided it falls within their jurisdiction.

Privacy

Lumley Insurance respects Your privacy and complies with the Privacy Act and the National Privacy Principles. A copy of Our Privacy Policy and Procedures is available at any of Our offices.

THE AGREEMENT

After You have paid the premium We will indemnify You, subject to the terms and conditions of the Policy, and the specified Sections in the Schedule of the Policy in respect of loss, damage or liability occurring during the Period of Insurance.

We may, at Our option, settle any accepted claim by payment, replacement, restoration or repair provided that Our liability will not exceed the Sum Insured nor any specific sub-limits contained in the Schedule or any specified Section of the Policy covering that particular loss, damage or liability.

GENERAL DEFINITIONS - Applying to all Sections

"We", "Us", "Our" means Wesfarmers General Insurance Limited, ABN 24 000 036 279, trading as Lumley Insurance.

"You", "Your" means the insured named in the Schedule.

"Business" means the business or occupation described in the Schedule and carried out by You at Your Situation.

"Policy" means this document, the Schedule, the Sections, and any other notice We give You in writing. Together they form the Agreement.

"Schedule" means the attachment which forms part of the Policy and shows Your Policy number, together with the details of Your cover including the Sections of the Policy which apply.

"Period of Insurance" means the period shown in the most recent Schedule or a subsequent period for which the Policy has been renewed.

"Situation" means the address(es) shown in the Schedule.

"Sum(s) Insured" means the Sum Insured or amount shown in the Schedule for which You have elected to insure.

"Excess" means the amount shown in the Schedule, unless otherwise stated under any applicable Section of the Policy, which We will deduct from any settlement of a claim under the Policy.

"GST" means Goods and Services Tax.

GOODS AND SERVICES TAX (GST)

All amounts insured by this Policy exclude GST. Any claim settlements, up to the total of all amounts insured, will exclude GST. However, if there is a shortfall between the GST component of your claim and the amount of input tax credit you are entitled to, we will pay this shortfall in addition to the claim settlement.

We will not be liable to pay any GST, or any fine, penalty or charge that you are liable for arising out of your misrepresentation of, or failure to disclose, your proper input tax credit entitlement in the settlement of any claim or premium relating to the Policy.

GENERAL CONDITIONS - Applying to all Sections

1 Alteration

Unless Our written consent is obtained We will not be liable for loss, damage or liability caused or contributed to by any alteration after the commencement of the Policy:

- (a) in Your Business, or other circumstances affecting Your Situation, which increases the risk of loss damage or liability occurring, or
- (b) if Your interest in the Situation or Business ceases or changes in nature for whatever reason.

If Your Business is wound up or carried on by a receiver or permanently discontinued, all cover under the Policy will cease from that time.

2 Authorisation

We may give to and obtain from other insurers, insurance reference bureaux and any credit reporting agencies, any information relating to Your credit or insurance history as well as insurance claims information obtained during the Period of Insurance.

3 Automatic Reinstatement

Following a claim under any Section of the Policy (other than the Legal Liability Section) and subject to payment of the appropriate additional premium, the Sum Insured will be automatically reinstated. However, the reinstatement of each Sum Insured will be made only once during any one Period of Insurance.

4 Breach

Breach of a Policy Condition without Your knowledge or consent, or error in name, description, or Situation, will not prejudice Your rights under the Policy provided You immediately notify Us in writing when such breach or error comes to Your knowledge and You pay any additional premium required by Us in respect of any increase in the risk insured resulting from such breach or error.

5 Cancellation

The Policy may be cancelled by:

- (a) You at any time by notifying Us in writing. We will then refund the premium for the unexpired Period of Insurance less Our cancellation costs
- (b) Us only in accordance with the provisions of the Insurance Contracts Act 1984. We will then refund the premium for the unexpired Period of Insurance

GENERAL CONDITIONS - Applying to all Sections – Cont'd

- (c) a premium funding company only in accordance with the power of attorney granted to such company by You. We will then refund the premium for the unexpired Period of Insurance less Our cancellation costs.

6 Claims Procedure

If any event or occurrence happens which could rise to a claim under the Policy, You must:

- (a) give immediate notice to Us
- (b) immediately inform us of any demand, writ or legal proceeding or of any impending prosecution, inquest, inquiry or civil proceeding in connection with any event or occurrence
- (c) immediately inform the Police in respect of loss or damage caused by any suspected crime
- (d) give us details of any loss concerning an occurrence in writing as soon as possible and supply such proofs as necessary.
- (e) not authorise repairs or replacement of lost or damaged property, other than those of a necessary temporary nature, without Our permission
- (f) allow Us at Our option to take over and conduct in Your name, the prosecution, defence or settlement of any claim
- (g) preserve in its condition at such time any products, appliances, plant or anything which could be evidence in connection with any claim
- (h) not make any payment, settlement or admission of liability without Our written permission
- (i) notify Us of any other insurance which may cover the loss, damage or liability
- (j) take all reasonable steps to minimise and reduce any loss or potential loss.

7 Discharge of Liabilities

We may at any time pay You in respect of all claims arising from one source or original cause:

- (a) the amount of the applicable Sum Insured for the applicable Section of the Policy (after deduction of any amounts already paid by Us which would reduce the amount of Our unfulfilled liability), or
- (b) any lesser amount for which the claim or claims can be settled.

Upon such payment We will relinquish conduct or control of, and be under no further liability under the Policy in connection with, such claim or claims except for costs, charges and expenses incurred with Our written consent prior to such payment.

8. Fraudulent Claims

If You make, or are party to, any claim which is fraudulent in any way Your claim will be rejected.

9. Inspection

At all reasonable times We, or Our representative or agents, have the right to enter Your Situation and to inspect and examine any property insured under the Policy.

GENERAL CONDITIONS - Applying to all Sections – Cont'd

10. Interpretation

- (a) Any word or expression which is given a specific meaning in the Policy will have that meaning wherever it may appear provided that it commences with a capital letter.
- (b) Headings have been included for ease of reference and the terms and conditions of the Policy are not to be construed or interpreted by reference to such headings.
- (c) Words in the singular include reference to the plural and vice versa.
- (d) We agree to accept the designation applying to the property in Your books of account.

11. Misrepresentation and Non-Disclosure

If You failed to disclose any matter which You were under a duty to disclose to Us, or made a misrepresentation to Us before the Policy was entered into, We may be entitled to:

- (a) reduce Our liability in respect of a claim, and/or
- (b) cancel or avoid the Policy.

12. Other Interests and Joint Insureds

- (a) The Policy covers Your interests and other interests notified and accepted by Us, or others with an Insurable Interest.
- (b) If the Policy covers the interest of more than one party, any act or neglect of an individual party will not prejudice the rights of any other party provided that such other party will immediately on becoming aware of such act or neglect give notice in writing to Us and pay such additional premium as We may reasonably require.
- (c) No interest in the Policy may be transferred without Our written consent.

For the purpose of this Exclusion, Terrorism means an act including but limited to the use or threat of force or violence 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) which from its nature or context is committed for, or in connection with, political, religious, ideological, ethnic 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.

- (d) All persons entitled to benefit under the Policy will be bound by its terms.

13. Progress Payments

Progress payments on account of any loss recoverable under the Policy may be made to You at such stages as may be mutually agreed subject to production of an interim report by Our loss adjuster.

14. Subrogation

If We indemnify You in respect of any claim under the Policy We will immediately be subrogated to any rights of recovery You may have in connection with such claim.

GENERAL CONDITIONS - Applying to all Sections – Cont'd

15. Your Obligations

You must take all reasonable precautions to:

- (a) prevent or minimise loss of or damage to property or injury to Persons
- (b) maintain all premises, fittings and equipment in efficient working condition, including:
 - (i) Burglar Alarms and other security devices which must be operative whenever the premises are unattended outside Your normal business hours
 - (ii) Fire protective systems which must comply with the relevant Australian standard and be operative at all times
- (c) comply with all statutory requirements, by-laws and regulations imposed by any public authority for the safety of persons or property.

GENERAL EXCLUSIONS - Applying to all Sections

We will not pay for:

1 War, Terrorism, Nuclear

for loss, damage, destruction, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

1.1 war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power, or confiscation or nationalisation or requisition or destruction of or damage to property by or under order of any government or public or local authority, or

1.2 Any Act(s) of Terrorism; or

For the purpose of this Exclusion, Terrorism means an act including but limited to the use or threat of force or violence 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) which from its nature or context is committed for, or in connection with, political, religious, ideological, ethnic 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.

1.3 arising from nuclear weapons material, ionising radiations or contamination by radioactivity from any nuclear fuel or from nuclear waste from the combustion of nuclear fuel. For the purpose of this exclusion only, "combustion" shall include any self-sustaining process of nuclear fission, radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste or action of nuclear fission or fusion.

GENERAL EXCLUSIONS - Applying to all Sections - Cont'd

2 . U n o c c u p a n c y

Loss, damage or liability which occurs during any period in excess of 30 consecutive days during which Your Situation is left unoccupied, unless with Our written consent.

3 . W e a r a n d T e a r

Loss or damage in respect of wear and tear including but not limited to, rust, fading, discolouration, scratching or marring, gradual deterioration or development of flaws, normal upkeep or making good.

Property Owners Policy – Fire and Perils Section

IMPORTANT NOTE

The Agreement and General Definitions, Conditions and Exclusions apply to this Section and must be read in conjunction herewith.

COVER

We will indemnify You in respect of physical loss or damage to property described in the Schedule whilst at Your Situation which is caused by any of the Events listed.

DEFINITIONS - Applying to Fire and Perils Section

"Buildings" means buildings including external lights and signs, awnings, landlords fixtures and fittings, walls, gates, fences, foundations, storage tanks, services and connections, and all other improvements of a structural nature which You own or in which You have an insurable interest.

"Common Contents" means contents and movable property (including carpets) not otherwise insured which You own or in which You have an insurable interest whilst contained in the common areas of the Buildings but excluding any property which the tenant owns or is legally liable for under a lease or similar agreement.

"Flood" means the inundation of normally dry land by the escape or release of water from the normal confines of any natural water course or lake, whether or not altered or modified, or any dam, reservoir or canal.

"Sea" means oceans, seas, bays, ports or tidal waters.

"Rainwater" means water falling naturally from the sky.

"Storm and Tempest" means violent atmospheric disturbance which may be accompanied by Rainwater, hail, snow or sleet.

EVENTS YOU ARE COVERED FOR

1. **Fire**
2. **Lightning**
3. **Explosion**, but excluding destruction of or damage to:
 - (a) boilers and/or economisers and/or vessels under pressure and their contents arising from the explosion thereof, or

- (b) property which, at the time of the happening of such destruction or damage is insured by any Boiler Explosion Policy, except in respect of any excess beyond the amount payable for such destruction or damage to the said property by such Boiler Explosion Policy.

4 Riots, civil commotions and malicious damage, which shall mean the acts of:

- (a) Persons taking part in riots or civil commotions or strikers or locked-out workers or persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation but excluding destruction or damage:
 - (i) caused directly or indirectly by total or partial cessation of work or the retarding or interruption or cessation of any process or operation
 - (ii) to glass, including signwriting thereon, forming part of the Buildings
- (b) Other malicious persons not being tenants but excluding destruction or damage
 - (i) by burglary, larceny or theft
 - (ii) by any lawful constituted authority in connection with the acts referred to in Sub-clause 4(a).

5. Impact by vehicles, animals, aircraft and other aerial devices and/or articles dropped or falling from them

6 Bursting, leaking and/or overflowing of water tanks, apparatus and/or pipes installed in or on the Buildings and/or adjoining buildings and/or by water from a water main outside the Buildings, but excluding destruction or damage

- (a) occurring while the tanks, apparatus and/or pipes abovementioned are being repaired, removed or extended.

7. Storm and/or Tempest and/or rainwater, but excluding destruction or damage caused directly or indirectly:

- (a) to gates, fences, retaining walls, textile awnings, blinds and signs
- (b) to property in the open air, unless such property comprises or forms part of a permanent structure designed to function without the protection of walls or roofs
- (c) to Buildings (or Common Contents) in course of construction or reconstruction, unless the Buildings are enclosed and under roof with all outside doors and windows permanently in place
- (d) by water seeping or percolating through walls, roofs or floors
- (e) by the Sea, Tsunami, high water, tidal wave, flood, erosion, subsidence or landslide
- (f) by water entering as a result of structural defects, faulty

design or faulty workmanship in the Buildings.

- 8 Earthquake**, subterranean fire or volcanic eruption, but excluding
- (a) the first \$20,000 of any loss; or
 - (b) an amount equal to 1% of the Total Sum Insured in respect of Buildings and Common Contents

whichever is the less in respect of destruction or damage occurring during any one period of 48 consecutive hours.

- 9. Accidental Breakage of Fixed External and Internal Glass** and porcelain sanitary fittings forming part of the Buildings and not otherwise insured, including cost of reinstatement and/or replacement of frames, framework and temporary shuttering pending replacement of glass.
- 10. Theft** consequent upon forcible and violent entry upon the Building including cost of temporary protection of the Building but excluding any property in the open air or contained in a Building which cannot be properly secured against theft. The maximum payable is \$4,000.

We will also indemnify you for:

- 11. the Costs and Expenses** necessarily and reasonably incurred for the:
- (a) purpose of extinguishing fire at or adjacent to the Buildings and threatening to involve the Buildings
 - (b) temporary safety of the Buildings and/or Common Contents pending repair or replacement following destruction or damage by any insured peril up to but not exceeding \$5,000 in respect of any one loss.
- 12. Architects, Surveyors and Consulting Engineers Fees**, for estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in reinstatement following destruction or damage to the property insured other than costs, fees and salaries for preparing any claim.
- 13. the Cost of Removal of Debris**, Demolition, Dismantling and any temporary repairs necessary following destruction or damage to the property insured by any insured peril up to an amount of \$25,000 or the sum nominated in the Schedule, whichever is the greater.

Indemnity may be by payment or, at Our option, Reinstatement or Replacement (as described), provided that Our liability shall in no case exceed in respect of each item the sum insured shown in the Schedule.

REINSTATEMENT & REPLACEMENT

In the event of Buildings, and/or Common Contents being destroyed or damaged the basis upon which the amount payable under the Policy is to be calculated shall be the cost of reinstatement of the property destroyed or damaged at the time of such destruction or damage subject to the following special provisions and subject also to the terms and conditions of the Policy modified by this endorsement.

Reinstatement shall mean:

- (a) where the Building is destroyed, the rebuilding or, in the case of Common Contents, the replacement by similar property, in either case in a condition equal to but not better nor more extensive than its condition when new
- (b) where damage occurs, the repair of such damage and the restoration of the damaged portion to a condition substantially the same as but not better nor more extensive than its condition when new.

Special Provisions

1. The work of rebuilding, replacing or restoring, as the case may be (which may be carried out upon another site, and in any manner suitable to your requirements but subject to our liability not being increased), must be commenced and carried out with reasonable dispatch, failing which We shall not be liable to make any payments beyond the amount which would have been payable under the Policy if this endorsement had not been provided.
2. When any property insured under this endorsement is damaged or destroyed in part only, Our liability shall not exceed the sum representing the cost which We could have been called upon to pay for reinstatement if such property had been wholly destroyed.
3. Each of the items insured under this endorsement is declared to be separately subject to the following Co-insurance Clause:

If at the breaking out of any fire or at the commencement of any destruction or damage to such property by any other peril hereby insured against, the sum representing 90 percent of the cost which would have been incurred in reinstatement if the whole of the property covered by such item had been destroyed exceeds the sum insured thereon, then You shall be considered as being Your own insurer for the excess and shall bear a rate able proportion of the loss accordingly; provided that if the sum actually incurred or expended in rebuilding or replacing the property destroyed within the meaning of Sub- paragraph (a) of the abovementioned definition of reinstatement exceeds the amount which would have been payable under the Policy if this extension had not been included, but is less than the cost of reinstatement as above defined, then the sum so actually incurred or expended shall for the purposes of this extension be deemed to be the cost of reinstatement of the property.

4. No payment beyond the amount which would have been payable under the Policy if this extension had not been provided shall be made until a sum equal to the cost of the reinstatement shall have been actually incurred.
5. All other insurances covering the property effected by or on Your behalf shall be on a similar reinstatement basis.
6. Where by reason of any of the above Special Provisions no payment is to be made beyond the amount which would have been payable under the Policy if this extension had not been provided, Our and Your rights and liabilities in respect of the destruction of damage shall be subject to the terms and conditions of the Policy, as if this extension had not been included.

Extra Cost of Reinstatement

This Policy extends to include the extra cost of reinstatement (including demolition or dismantling) of the property destroyed or damaged, necessarily incurred to comply with the requirements operative at the time of reinstatement, of:

- (a) any Act of Parliament or Regulation made thereunder, or
 - (b) any By-Law or Regulation of any Municipal or other Statutory Authority.
- The extra cost of reinstatement shall be limited to an aggregate amount over all situations and a maximum amount recoverable in respect of all buildings (whether or not separated by roadways) and contents which are in the same ownership located at one situation and form one establishment, such limits not to exceed those set down in the Schedule.

If the cost of reinstatement of the damage directly caused by any of the perils insured against is less than 50% of what would have been the cost of reinstatement of the property insured had such property been destroyed, the amount recoverable shall be limited to the extra cost necessarily incurred in reinstating only that portion destroyed and shall not include any extra cost in relation to any portion of the property insured not destroyed or damaged but in any event not exceeding the sum which We could have been called upon to pay if such property had been-wholly destroyed.

For the purpose of the insurance under this extension Reinstatement shall mean:

- (a) Where property is destroyed in the case of Building, the rebuilding thereof, or, in the case of property other than Building, the replacement thereof by similar property in either case in a condition equal to but not better nor more extensive than its condition new.
- (b) Where property is damaged, the repair of the damage and the restoration of the damaged portion of the property to a condition substantially the same as but not better nor more extensive than its condition when new.

Subject always to the following special provisions and subject also to the terms and conditions of the Policy except insofar as the same may be varied hereby.

Special Provisions

1. The work of reinstatement (which may be carried out wholly or partially upon another site if the such Act, By-Law or Regulation of any Municipal or other Statutory Authority so necessitate subject to our liability not being increased) must be commenced and carried out with reasonable dispatch failing which We shall not be liable to make any payment beyond the amount which would have been payable under the Policy if this extension had not been included.
2. The amount recoverable shall not include the additional cost incurred in complying with any such Act, Regulation, By-Law or requirement with which You had been required to comply prior to the happening of the destruction or damage.
3. Co-insurance shall not be applied to the amount recoverable under this extension and the amount specified shall not be taken into account for Co-insurance purposes in terms set out in any clause contained in the Policy.

OPTIONAL EXTENSIONS - Applicable only if indicated in the Schedule 1

Accidental Damage

We will indemnify You under this Optional Extension for accidental loss or damage to Buildings, or Common Contents, but excluding:

- (a) loss or damage to:
 - (i) Buildings, or Common Contents in respect of which a Sum Insured is not shown in the Schedule
 - (ii) any property excluded by this Section
 - (iii) any property whilst in transit other than during incidental movement of such property within Your Situation
 - (iv) machinery, electronic data processing equipment or electronic control equipment occasioned by or happening through any mechanical, electrical, electro-mechanical, electronic or hydraulic malfunction, failure or derangement, breakdown or non-operation of any kind
 - (v) property undergoing reconstruction, construction, demolition, repair or maintenance
- (b) loss or damage caused by:
 - (i) an Event listed in this Section
 - (ii) a cause or occurrence otherwise excluded anywhere in this Section
- (c) theft, attempted theft or unexplained inventory shortages
- (d) claims arising out of:
 - (i) latent defect
 - (ii) any manufacturing, processing, packaging or assembly process
 - (iii) normal settling, seeping or shrinkage in Buildings or foundations, walls, pavements, driveways or other structural improvements
 - (iv) corruption, amendment, erasure or interference with computer software

- (e) damage caused directly or indirectly by:
 - (i) shrinkage, expansion, inherent vice, mould, mildew, dampness or dryness of the atmosphere
 - (ii) moths, vermin, termites or other insects
 - (iii) mechanical derangement and mechanical, structural or electrical breakdown
 - (iv) faulty materials or faulty workmanship
- (f) the cost of recreating computer records or programs
- (g) the excess shown in the Schedule.

Property Owners Policy - Business Interruption Section

COVER

Following Damage, We will pay You loss of Gross Rentals as defined: -

Gross Rentals

The insurance in respect of "Gross Rentals" is limited to loss of Gross Rentals due to (a) Reduction in Gross Rentals and (b) Increase in Cost of Working and the amount payable as indemnity shall be:

- (a) In respect of Reduction in Gross Rentals the amount by which the Gross Rentals during the Indemnity Period shall, as a result of the Damage, fall short of the Standard Gross Rentals
- (b) In respect of Increase in Cost of Working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Rentals which but for that expenditure would have taken place during the Indemnity period as a result of the Damage, but not exceeding the loss of Gross Rentals thereby avoided.

less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the business payable out of Gross Rentals as may cease or be reduced as a result of the Damage.

Provided that if the Sum Insured by this Item is less than the amount of the Annual Gross Rentals (or the proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

DEFINITIONS

Buildings: means the premises described in the Fire and Perils Section.

Gross Rentals: the money paid or payable to You by tenants in respect of rental of the Buildings.

Indemnity Period: means the period beginning with the occurrence of the Damage during which the results of the business shall be affected as a result of the Damage but in no case exceeding the number of months shown in the Schedule.

Damage: means loss, destruction or damage to the Buildings provided that we shall have admitted liability under the Fire and Perils Section of this Policy.

Annual Gross Rentals:
the Gross Rentals during
the twelve months
immediately before the date
of the Damage.

Standard Gross Rentals:
the Gross Rentals during
the period in the twelve
months immediately before
the date of the Damage
which corresponds with the
Indemnity Period.

To which such adjustments shall be
made as may be necessary to provide
for the trend of Your business and for
variations in or other circumstances
affecting Your business either before or
after the Damage or which would have
affected Your business had the
damage not occurred so that the figures
thus adjusted shall represent as nearly
as maybe reasonably practicable the
results which but for the damage would
have been obtained during the relative
period after the damage.

Claims Preparation Costs

- (a) reasonable fees as may be payable by You to a Public Accountant
- (b) reasonable expenses not otherwise recoverable, incurred by You for preparation of claims under this Policy up to but not exceeding the sum insured stated in the Schedule.

Return Premium Clause

Gross Rentals: in the event of the Gross Rentals, (or the proportionately increased multiple thereof where the number of months shown in the Schedule exceeds 12 months) received during the accounting period of twelve months most nearly concurrent with any period of insurance, as certified by your Auditors, being less than the sum insured thereon, a pro rata return of premium not exceeding 50 percent of the premium paid on such sum Insured for such period of insurance will be made In respect to the difference. If any damage shall have occurred giving rise to a claim under this policy, such return shall be made in respect only of so much of the said difference as is not due to such damage.

SPECIAL CONDITIONS - Applying to Business Interruption Section 1

Co-Insurance

In the event of the Sum Insured under Trading Profit being less than the sum produced by applying the Rate of Trading Profit to the Annual Takings (or the proportionately increased multiple thereof where the Indemnity Period exceeds 12 months) the amount payable will be proportionately reduced.

Property Owners Policy – Legal Liability Section

IMPORTANT NOTE

The Agreement and General Definitions, Conditions and Exclusions apply to this Section and must be read in conjunction herewith.

WHAT WE COVER YOU FOR

1. Legal Liability

We will pay all amounts that You become legally liable to pay by way of compensation for:

Personal Injury; or
Property Damage;

which:

happens during the Period of Insurance;

is caused by an Occurrence and happens in connection with Your Business;

provided that:

Our liability for all compensation payable in respect of any claim or a series of claims caused by or arising out of one Occurrence shall not exceed the Limit of Liability;

all claims for compensation that result from one original source, or one original cause, shall be considered to have been caused by a single Occurrence; and

Our total aggregate liability during any one Period of Insurance for Product Liability claims shall not exceed the Limit of Liability.

2. Costs and Expenses

In addition to the Limit of Liability, We will pay in relation to a claim covered under this Policy, all:

expenses incurred by us in defence of a claim.

costs awarded against You and all interest accruing after judgement until We have paid, tendered or deposited in court that part of any judgement which does not exceed the Limit of Liability:

reasonable costs and expenses, other than loss of earnings, incurred by You with

Our written consent; and costs or expenses incurred by You for rendering first aid to others at the time of any Personal Injury;

provided that:

if to dispose of or settle a claim covered under this Policy, compensation is payable in excess of the Limit of Liability, Our liability in respect of these costs and expenses will be limited to the proportion of the costs and expenses as the Limit of Liability bears to the total compensation payable to dispose of or settle the claim;

We will not pay for any costs or expenses that are incurred after We have paid or agreed to pay an amount equal to the Limit of Liability; and

in relation to any claim made and actions instituted within the United States of America or the Dominion of Canada or their territories, protectorates or dependencies, Our liability to pay any of the costs or expenses detailed above shall be included in the Limit of Liability, and not paid in addition to the Limit of Liability.

WHAT IS NOT COVERED

1 Vehicles

Liability caused by or arising out of the use of or ownership or operation by You of any Vehicle which is legally required to be registered or legally required to be insured.

This Exclusion shall not apply to:

- (a) liability caused by or arising from the delivery or collection of goods to or from any Vehicle where such Personal Injury or Property Damage occurs beyond the limits of any carriage-way or thoroughfare;
- (b) liability arising during the Trade Use of any Vehicle at any site where You are working or at Your premises, provided that You are not indemnified under this Policy where the Vehicle is used only for the transportation or haulage of goods; or
- (c) liability caused by or arising out of the use of an unregistered Vehicle whilst being driven under its own power between its point of unloading and a worksite and whilst returning from a worksite to the point of reloading for its conveyance from the area.

2 Aircraft and Watercraft

- (a) liability caused by or arising out of the ownership, maintenance, servicing, operation or use by You of:
 - (i) any Aircraft; or
 - (i i) any Watercraft exceeding 8 metres in length, except where such Watercraft is not owned by You but used by You for business entertainment;

- (b) liability caused by or arising out of Products that You could reasonably be expected to know are installed in or on any Aircraft; or
- (c) liability caused by or arising out of the use by You as a landing area for Aircraft of any property or structure owned occupied or controlled by You. The term "landing area" includes any area on which Aircraft taxi, land, take-off, are housed, maintained or operated.

3 Employment Liability

- (a) Personal Injury to any employee arising out of or in the course of their employment in Your Business. This exclusion does not apply in respect of Your liability for injuries which are not compensated under the workers' compensation legislation in Queensland in respect of Occurrences where employment is not the major factor causing the injury;
- (b) liability caused by or arising out of any provision of any workers' compensation legislation or any industrial award or agreement or determination; or
- (c) liability for which You are or would have been entitled to seek indemnity under any policy of insurance required to be taken out pursuant to any legislation relating to workers' or workmens' compensation including any legislation of any State or Territory (whether insurance is effected or not).

For the purpose of this exclusion, "employee" means any person engaged under a contract of service or apprenticeship with You but does not include any person employed under such a contract who is excluded from the definition of worker under any workers' compensation legislation.

4 Professional Services

Liability caused by or arising from the rendering of or failure to render professional advice or service by You or any error or omission connected therewith.

This exclusion shall not apply to:

- (a) the rendering of or failure to render medical advice or service by Medical Persons employed by You to provide first aid and other medical services on Your premises; or
- (b) claims in respect of Personal Injury or Property Damage where such professional advice or service is given without fee or charge.

5 Libel and Slander

Liability caused by the publication or utterance of a libel or slander:

- (a) made prior to the commencement date of this Policy;
- (b) made by You or at Your direction knowing it to be false; or
- (c) related to advertising, broadcasting or telecasting activities conducted by You or on Your behalf.

6 Product Recall

Liability caused by or arising from, or costs and expenses incurred by You for the recall, withdrawal, inspection, repair, replacement or loss of use of Your Products or of any property of which Your Products form a part, if these Products are withdrawn from the market or from use because of any known or suspected defect or deficiency therein, or making any refund on the price paid for Your Products.

7 Product Defect

Property Damage to Your Products if such Property Damage is attributable to any defect in Your Product.

8. Faulty Workmanship

The cost of performing, completing, correcting or improving any work undertaken by You.

9 Loss of Use

Liability for loss of use of tangible property which has not been physically damaged or destroyed resulting from:

- (a) a delay in, or lack of performance by You or on Your behalf of any contract or agreement; or
- (b) the failure of Your Products to meet the level of performance, quality, fitness or durability expressly warranted or represented by You. This exclusion shall not apply to loss of use of other tangible property resulting from sudden and accidental physical damage to or destruction of Your Products after Your Products have been put to use by any person or organisation other than You.

10. Property in Your Physical or Legal Control

Damage to property owned by You or in Your physical or legal control other than:

- (a) premises which are leased or rented to You;
- (b) premises which You temporarily occupy in order for You to carry out work;
- (c) Vehicles (not belonging to You or used by You or on Your behalf) in Your physical or legal control whilst within a car park owned or operated by You unless part of Your Business is the operation of a car park or reward;
- (d) Your employee's property; or
- (e) other property in Your physical or legal control, provided that the amount payable shall not exceed \$100,000 any one Occurrence and in the aggregate during any one Period of Insurance. However, We shall not be liable for Property Damage to property upon which You are or have been working where such Property Damage arises from Your work.

11. Contractual Liability

Liability assumed by You under any contract, warranty or agreement. This exclusion shall not apply to:

- (a) liability that would have been implied by law in the absence of such contract, warranty or agreement;
- (b) liability assumed by You under a warranty of fitness or quality regarding Your Products;
- (c) liability assumed under an Incidental Contract; or
- (d) written contracts, warranties or agreements agreed by Us and specified in the Schedule.

12. Asbestos

Death, injury, loss, damage or liability of any nature which is directly or indirectly connected in any way with asbestos.

13. Pollution

Liability directly or indirectly caused by or arising out of the discharge, dispersal, release, escape or seepage of Pollutants into or upon any property, land, the atmosphere, watercourse or body of water.

We shall also not be liable to pay any costs and expenses incurred in the prevention, removal or clean-up of such Pollutants.

This exclusion shall not apply if such discharge, dispersal, release or escape is caused by a sudden, identifiable, unexpected and unintended happening and takes place in its entirety at a specific time and place and provided the limit of Our liability in such circumstances, whether or not there is more than one Occurrence during the Period of Insurance, is limited in the aggregate to the Limit of Liability.

14. Fines and Penalties

Punitive, aggravated or exemplary damages, fines or penalties imposed by law.

15. Territorial Limits

Liability occurring outside Australia.

This exclusion will not apply to claims arising from:

- (a) Your Products (other than those exported to the United States of America or the Dominion of Canada or their territories, protectorates or dependencies), or
- (b) the presence outside Australia of Your partners, directors and employees engaged in non-manual work in connection with Your Business and who are normally resident in Australia.

16. Legal Jurisdiction

Liability:

- (a) brought against You in any country outside Australia;
- (b) arising as a consequence of You entering into contractual obligations submitting to the jurisdiction of a Court other than a Court of any State or Territory of Australia; or
- (c) arising as a consequence of any agreement by You to indemnify any other party in respect of awards, judgements or settlements made under the jurisdiction of a Court other than a Court of any State or Territory of Australia.

17. Assault and Battery

Liability caused by or arising from assault and battery committed by or at the direction of You unless reasonably necessary for the protection of persons or property.

18. Pipes and Cables

Liability for damage to pipes and cables unless the appropriate authorities have been consulted prior to work commencing and written details have been obtained from them as to the position of such underground pipes and cables together with their supports and fittings.

19. GMO

Directly or indirectly caused by or arising from the manufacture, importing growing, blending, mixing or distributing of Genetically Modified or Engineered Organisms (GMO).

For the purpose of this Exclusion, a Genetically Modified or Engineered Organism is defined to be a living plant, animal or microbe that has been altered by the addition or modification of a gene through the process of genetic engineering and contains genes or portions of genes from unrelated organisms.

20. TSE

Directly or indirectly caused by or arising from Transmissible Spongiform Encephalopathy (TSE) including but not limited to Bovine Spongiform Encephalopathy (BSE) or new Variant Creutzfeldt-Jakob Disease (VCJD).

This Exclusion applies regardless of any other contributing or aggravating cause or event.

21. Electronic Data

loss or damage caused by:

- (a) the corruption or destruction of data, coding program or software, or
- (b) the unavailability of data and/or malfunction of hardware, software and/or embedded chips, or
- (c) any business interruption losses resulting there from.

Provided that this Exclusion shall not apply where such loss or damage occurs as a direct result of physical damage which is otherwise insured by this Policy.

CONDITIONS

1. Discharge of Liabilities

We may at any time pay to You in respect of damages payable as a result of any Occurrence or number of Occurrences arising directly or indirectly from one source or original cause the amount of the Limit of Liability or such limit specified in this Policy in respect thereof (after deduction of any amount or amounts already paid in respect thereof) or any lesser amount for which the claim or claims can be settled.

Upon such payment We shall relinquish conduct or control of and be under no further liability under this Policy in connection with such claim or claims except for costs, charges and expenses incurred by Us or by You with Our written consent prior to the date of such payment.

2. Prevention of Accidents

You must:

- (a) exercise reasonable care that only competent employees are employed and take reasonable measures to maintain all premises, fittings and plant in safe and sound condition;
- (b) take all reasonable precautions to:
 - (i) prevent Personal Injury and Property Damage;
 - (ii) prevent the manufacture, sale or supply of defective Products; and
 - (iii) comply and ensure that You, Your employees, servants and agents comply with all statutory obligations, by-laws or regulations imposed by any public authority for the safety of persons or property;
- (c) take reasonable action to trace, recall or modify any of Your Products containing any defect or deficiency of which You have knowledge or have reason to suspect any defect or deficiency.

3. Cross Liability

Where "You" are comprised of more than one party, each of the parties shall be considered as a separate legal entity and the words "You" and "Your" shall be considered as applying to each party in the same manner as if a separate Policy had been issued to each party provided that nothing in this Condition shall result in an increase in Our Limit of Liability in respect of any Occurrence or Period of Insurance.

4. Joint Insureds

Where "You" are comprised of more than one party, information supplied to Us shall be deemed to have been furnished by or on behalf of all parties, and any information supplied to Us or any omission or non-disclosure in relation to any renewal or extension thereof shall likewise be deemed to have been furnished, omitted or withheld on behalf of all such parties.

5. Subrogation

In the event of a payment under this Policy to You or on Your behalf, We shall be subrogated to all Your rights of recovery against any person or organisation. At Our request and Our expense, You shall do all things reasonably required by Us for the purpose of enforcing any rights and remedies or of obtaining indemnity from other parties to which We are entitled pursuant to this Policy.

6. Headings

Headings have been included for ease of reference and the terms and conditions of this Policy are not to be construed or interpreted by reference to such headings.

7. Other Insurance

You must give Us full particulars of any other insurance which provides indemnity, in full or in part, for any of the liabilities covered under this Policy within 21 days of entering into any such insurance.

DEFINITIONS

Any word or expression which this Section has defined as having a particular meaning will have that meaning everywhere it appears. Definitions in the "singular" will also apply where the word or expression is "plural".

"Aircraft" means any object that is intended to fly or move in or through the air, atmosphere or space.

"Business" means all activities involved in the business specified in the Schedule including the ownership and tenancy of premises, provision and management of canteens, social and sports clubs and welfare or child care services, including first aid and safety services for Your employees and Your internal first aid, fire and ambulance services.

"Incidental Contract" means:

- a) any written agreement for the lease of property, except those agreements where there is an obligation to insure such property or where there is an agreement to accept liability regardless of fault;
- b) any written contract made or entered into with any public authority for the supply of water, gas, electricity or telephone services, except a contract made or entered into with such authority for work done or to be done for such authority; or
- c) any written contract made or entered into with any railway authority for the loading, unloading or transport of Your Products or any contract relating to the operation of railway sidings.

"Limit of Liability" means the Limit of Liability specified in the Schedule.

"Medical Persons" means qualified medical practitioners, nurses, dentists and first aid attendants.

"Occurrence" means an event, including continuous or repeated exposure to substantially the same general conditions, which results in Personal Injury or Property Damage neither expected nor intended by You.

"Personal Injury" means:

- (a) bodily injury, death, sickness, disease, disability, shock, fright, mental anguish and mental injury;
- (b) false arrest, false imprisonment, wrongful detention, malicious prosecution and humiliation;
- (c) libel, slander, defamation;
- (d) wrongful entry, wrongful eviction or other invasion of right of privacy; and/or
- (e) assault and battery committed by You or Your employees for the purpose of preventing or eliminating danger to persons or property.

In the event of Personal Injury arising from latent injury, latent sickness, latent disease or latent disability, that Personal Injury shall be deemed to have occurred on the day the injury, sickness, disease or disability was first medically diagnosed.

"Pollutant" means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

"Product" means anything (after it has ceased to be in Your possession or in Your legal control) which has been manufactured, grown, extracted, produced, processed, constructed, erected, installed, assembled, altered, repaired, serviced, treated, sold, supplied or distributed by You in the course of Your business, including any packaging or containers (other than a Vehicle) used to package or contain Your Product(s).

"Product Liability" means any liability for an Occurrence that is caused by or arises out of any Product.

"Property Damage" means physical loss, damage or destruction of tangible property including the resultant loss of use, or loss of use of tangible property which has not been physically damaged or destroyed, provided such loss of use is caused by an Occurrence.

In the event of a claim arising from latent damage or from the exposure of tangible property to gradual deterioration and eventual damage, such Property Damage shall be deemed to have occurred on the day such deterioration or damage was first discovered.

"Trade Use" means use in excavating, digging, grading, scraping, drilling, lifting, pumping, spraying, loading and unloading, vacuuming and the like including the process of setting up for operations and reverting from such operative format to travel/transit configuration. It does not include transit to or from a worksite but does include travel within a worksite if simultaneously being used for work.

"Vehicle" means any type of machine including attachments that is designed to travel on wheels or on self-laid tracks made or intended to be propelled by other than manual or animal power.

"Watercraft" means anything made or intended to float on or in or travel on or through or under water.

"You" "Your" for the purposes of the Legal Liability Section means:

- (a) the Insured specified in the Schedule;
- (b) subsidiary companies of the Insured specified in the Schedule whose place of incorporation is within Australia;
- (c) the directors, employees, executive officers or partners of the Insured specified in the Schedule or of a company designated in (b) above, but only whilst acting within the scope of their duties in such capacity;
- (d) every principal of the Insured specified in the Schedule or of a company designated in (b) above in respect of the liability of such principal arising out of the performance by the Insured specified in the Schedule or by a company designated in (b) above of any contract or agreement for the performance of work for such principal, to the extent required by such contract or agreement, but limited to the coverage provided by this Policy.