



**austbrokers
comsure**

STRONGER TOGETHER

28 March 2025

Industrial Special Risks Insurance Cover Guide

Prepared for Member

Services of:



**Meals on Wheels
Queensland**

Anthony Stein

Senior Insurance Adviser

DIP Fin Ins Brok

anthony.stein@abcomsure.com.au

Jennifer Rees

Assistant Adviser

DIP Fin Ins Brok

jennifer.rees@abcomsure.com.au

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YOUR DEDICATED AUSTBROKERS COMSURE SERVICE TEAM

ADDRESS: Level 9, 200 Creek Street, Brisbane QLD 4000
POSTAL: GPO Box 1476, Brisbane, QLD 4001
PHONE: 1800 122 194
CLAIMS: claims@abcomsure.com.au

Dedicated Team – Day to Day Enquiries



Anthony Stein

Senior Insurance Adviser



anthony.stein@abcomsure.com.au



(07) 3270 1516



0419 710 868



Jennifer Rees

Assistant Adviser



jennifer.rees@abcomsure.com.au



(07) 3434 7814



0433 038 605



Sandra van Zyl

QLD Corporate Manager



sandra.vanzyl@abcomsure.com.au



(07) 3434 7807



0412 696 137

Claims

PHONE: 1800 122 194
CLAIMS: claims@abcomsure.com.au

Policy Coverage

Please check the enclosed proposed policy coverage and schedules for the recommended policies to ensure that they are adequate for your requirements.

In particular, please check that:

- The amount of limits (and sub limits) of liability / sums insured are adequate for your business requirements.
- The excess(es) are understood.

The Schedules provides a summary of the group's policy coverage only. Reference should always be made to the policy document for full terms, conditions, endorsements, exclusions and limits applicable.

INDUSTRIAL SPECIAL RISKS

PROPERTY COVERS MEANS:

This policy covers for loss and/or damage to buildings, plant and machinery and stock or raw materials as well as loss of profits:

Common inclusions:

- ✓ Physical Loss or damage to property (both weather and other extraneous perils).
- ✓ Business interruption resulting from physical damage, failure of public utilities, or blocked access.
- ✓ Malicious or accidental damage and theft.
- ✓ Removal of debris, clean-up costs, and other additional costs incurred in repairing or reinstating damage following an insured event.

IMPORTANCE OF DECLARED VALUES, LOCATIONS AND LIMITS - PROPERTY

Disasters can and will occur to many buildings and infrastructure assets during their lifetime, with fire being the main risk. Any of the Member Services properties could be subject to other risks such as floods, hailstorms or cyclones, resulting in devastating and costly damage. Proven through our experience, escalations in building prices mean that if your building has not been valued in the past 12 months, there is a likelihood it is underinsured.

Values and locations must be reported as completely and accurately as possible and reflected in the policy. The values declared need to reflect the basis on which the claims are paid.

For Buildings, Contents and Lease Improvements it is **NEW FOR OLD**, or a **REPLACEMENT BASIS**. In a broad sense there are some guidelines that will assist.

- **Buildings:** These are not just the structures designed with a roof and walls, this also means the retaining walls, fencing, driveways, drainage, and other fixtures and fittings to the property.

An aspect that is usually overlooked is the electrical wiring and switchboards, any wiring that is fitted from the switchboard to a machine such as a vehicle hoist is considered building. The machine itself is considered contents. The values need to be declared on a Replacement basis. That is, new for old.

- **Contents:** These items are desks, chairs, computers, stationery, and if you only lease the premises, it will also include your showroom fit out. Items such as artwork and also need to be included. Contents items need to be on a replacement basis, items such as this below need to be agreed with the insurers.

It is important for duty of disclosure and to avoid and underinsurance penalties at time of claim that the values declared represent the full value of the stock held, and the property/ contents insured.

IMPORTANCE OF DECLARED VALUES – BUSINESS INTERRUPTION

Given the increasing severity of losses in recent years and the more recent impact of COVID-19 and Natural Disasters, Business Interruption (BI) coverage can be a critical financial tool for protecting business performance and growth, particularly from short-term sudden impacts. In situations like these, business interruption cover can be invaluable.

So, if an accident ever occurs, the loss of income and the increased costs of working cover should help get a Member Service up and running, however it is important to adequately insure against losses, and we recommend each Member Service undertake a business interruption review.

Business interruption insurance typically covers:

- Loss of sales, less expenses not incurred, plus the increased cost of remaining open for business. Policies typically cover:
- Profits your Member Service would have earned, based on previous financial statements
- Operating expenses, such as electricity, that continue even though your business activities have come to a halt or temporarily relocated
- Relocation costs for moving to, and operating from, a temporary location
- Closure of your business premises due to government-ordered street closures or curfews related to a covered event

Other considerations

- Assessing a business interruption loss involves the calculation of the business' forecast earnings had the loss not occurred. This process can involve evaluating past tax returns, profit and loss statements, and projected sales and expenses. Maintaining accurate records are important so that a business interruption loss or losses can be properly assessed. In addition, pre-loss reviews should be undertaken by businesses prior to commencement of the insurance period to ensure revenue calculations are tested and transparently disclosed to insurers to obtain adequate and accurate business interruption cover.

Business interruption insurance makes it possible to stay afloat while you regain your full strength. Having this financial protection in place will allow you to continue paying your staff, take care of debts and cover the costs that come with getting your Member Service back on track.

THE INSURED SITUATION AND/OR PREMISES

As declared and any other situation/premises in Australia owned or occupied by the Insured for the purposes of the Business or elsewhere in Australia where used by the Insured or where the Insured is undertaking work or has goods or property (including where goods or property are stored, or undergoing processing, repairs, maintenance, overhaul or improvements).

GEOGRAPHICAL SCOPE	Anywhere in the world excluding USA and/ or Canada
JURISDICTIONAL SCOPE	Australia
GOVERNING LAW OF CONTRACT	Australian

PERIOD OF INSURANCE

PERIOD OF INSURANCE	From: 31 March 2025 at 4 PM Local Time (QLD).
	To: 31 March 2026 at 4 PM Local Time (QLD).

SCOPE INSURED

SCOPE OF COVER

Section 1 – Insured risks of physical loss, destruction or damage to property not specifically excluded in the policy wording; and
Section 2 – Resultant Consequential Loss (Business Interruption)

INTEREST INSURED

INTEREST INSURED

Section 1 - Material Loss or Damage

All real and personal property of every kind and description (except as specifically excluded) belonging to the Insured or for which the Insured is responsible or has assumed responsibility prior to the occurrence of any damage, including all such property in which the Insured may acquire an insurable interest during the Period of Insurance.

Section 2 - Consequential Loss

- Item 1 Gross Profit/ Revenue
- Item 2 Claims Preparation and Proving Costs
- Item 3 Payroll (As Defined)
- Item 4 Additional Expenditure/Additional Increased Cost of Working

DECLARED VALUES

(In accordance with the Basis of Settlement)

Section 1: Material Damage

Section 1 - Material Damage

Buildings
Contents
Stock

As per asset Schedule
declared by member
services

Section 2: Consequential Loss

Section 2 –

Gross Profit/Revenue	
Claims Preparation Costs	\$100,000
Additional Increased Cost of Working	\$500,000

As per asset Schedule
declared by member
services

LIMITS OF LIABILITY

LIMIT(S) OF LIABILITY

The amounts set out hereunder represent the Insurer(s) maximum Limit(s) of Liability any one claim or series of claims arising out of any one event at any one situation subject to any lesser Limit(s) of Liability specified elsewhere in this Policy, but the Limit(s) or any lesser Limit(s) of Liability shall only be applied in excess of the relevant deductible/excess.

Sections 1 and 2 Combined:	\$5,000,000
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Sub-limits of Liability

SUB-LIMIT(S) OF LIABILITY

The liability of the Insurer shall be further limited in respect of any one loss or series of losses arising out of any one original source or cause at any one Situation as set out hereunder.

The Sub-Limits of Liability apply in excess of any applicable Deductible.

Section 1 - Material Loss or Damage

Property of Employees & Clubs (D)	
- per person or club	\$15,000
- any one event	\$50,000
Accompanied Baggage in Australia (C)	
- per person	\$5,000
- any one event	\$50,000
Liability to Make Enquiries	\$25,000
Statutory Inquiries	\$10,000
Unpacking Expenses	\$10,000
Liability for Duty	\$25,000
Landscaping (C)	\$50,000
Cost of Clearing Blocked Drains, Pipes, Filters & Pumps (B)	\$20,000
Expediting Expenses	\$50,000
Loss of Land Value	\$100,000
Customers Goods	\$50,000
Securities	\$20,000
Works of Art, Antiques & Curios	\$100,000
Abandoned Undamaged Portion of a Building	Not Insured
Extra Cost of Reinstatement	\$200,000
Additional Extra Cost of Reinstatement	\$300,000
Removal, storage and/or Disposal of Debris	\$100,000
Theft or any attempt there at	\$20,000
Theft of Property in Open Air	\$5,000
Money	\$10,000
Property in the Open Air (Storm)	\$50,000
Fusion	\$25,000
Decorative Livestock (Fire cover only)	\$5,000
Temporary Removal Exemption (B)	\$100,000
Glass	Replacement Value
Unspecified Damage (as defined herein)	\$250,000
Rewriting of Records	\$50,000
Damage Diminution & Accidental Discharge Costs	\$25,000
General Property Cover – Australia	
- (limit any one item \$3,000)	\$80,000
Replacement of locks & keys including electronic access / swipe cards	\$10,000
Exploratory Costs	\$25,000
Property In Transit – Australia	\$20,000

Section 2 - Consequential Loss

Item 2 – Claims Preparation Costs and Professional Fees	\$100,000
Severance Pay	Not Insured

Item 4 - (Additional) Increased Cost of Working	\$500,000
Rent Receivable	Not Insured
Rent Payable (B)	Not Insured
Premises in the Vicinity (Prevention of Access)	\$350,000
Contractual Fines & Penalties	\$100,000
Accounts Receivable (B)	\$200,000
Unspecified Suppliers' &/or Customers' Premises (Australia & New Zealand) – Single Limit (B)	\$100,000
Unspecified Suppliers' &/or Customers' Premises (Worldwide) (C)	Not Insured
Remote Premises of Public Utilities (B)	\$25,000
Other Contributing Properties	\$10,000
Royalties Receivable (B):	Not Insured
Trade Exhibitions	\$50,000

Annual Aggregate Limit any one Period of Insurance (Section 2 Consequential Loss of Profits)

Infectious or Contagious Diseases; Vermin, Pests or Defective Sanitary Arrangements; Food or Drink Poisoning; Murder, Suicide	\$250,000
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Combined Section 1 - Material Damage & Section 2 - Consequential Loss of Profits

Flood - Any one event and in the aggregate any one period of insurance	\$500,000
Acquired Companies - where property is located above 25th Parallel	Not Insured
Declarations of Acquired Property (B)	\$2,000,000
Acquired Property - where property is located above 25th Parallel	Not Insured

All cover provided for Acquired Companies and/or Acquired Property is subject to the Insurer(s) receiving notification within 30 days of acquisition.

**UNINSURED
WORKING EXPENSES**

Nil declared

The words and expressions used herein shall have the meanings usually attached to them in the books and accounts of the Insured unless otherwise defined in this Policy.

**MAXIMUM INDEMNITY
PERIOD**

12 months

DEDUCTIBLES

DEDUCTIBLE OR EXCESSES

The Insured shall bear the following amount(s) in respect of each claim or series of claims arising out of any one event:

Section 1 – Material Damage

Earthquake, Subterranean Fire or Volcanic Eruption	a) \$20,000 or an amount equal to 1% of the total Declared Values for Property Insured at b) the Situation where the loss occurs; whichever is the lesser
Flood	\$5,000
Named Cyclone	\$25,000
All Other Claims	\$2,500

Section 2 - Consequential Loss of Profits

The Insured shall bear the following amount(s) in respect of each claim or series of claims arising out of any one original source or cause:

Remote Premises of Public Utilities (B)	48 Hours
Premises in the Vicinity (Prevention of Access)	48 Hours
Unspecified Suppliers' and/or Customers' Premises (Australia & New Zealand) – Single Limit (B)	48 Hours
Unspecified Suppliers' and/or Customers' Premises (Worldwide)(C)	48 Hours
Infectious or Contagious Diseases; Vermin, Pests or Defective Sanitary Arrangements, Food or Drink Poisoning; Murder, Suicide	48 Hours
All Other Claims	\$2,500

Should more than one deductible apply under this Policy for any claim or series of claims arising from the one event, such deductibles shall not be aggregated – the highest single level of deductible only shall apply.

Note: The Limit of Liability and Sub-limits of Liability apply in excess of any applicable Deductible

WORDING

POLICY WORDING AND CONDITIONS

The Austbrokers ISR Mark IV (Modified) policy wording (C1006 REV0 04/24) policy conditions apply with modifications only as specified in the following section titled "Endorsements"

ENDORSEMENTS

ENDORSEMENTS ATTACHING TO AND FORMING PART OF THE INDUSTRIAL SPECIAL RISKS INSURANCE POLICY.

Notwithstanding anything contained herein to the contrary it is hereby declared and agreed that the following endorsements are made to the Policy:

THE SCHEDULE

DEFINITIONS

The following definitions shall apply unless a more specific definition is provided elsewhere in the Policy. **Unspecified Damage**, for the purpose of any Limit or Sub-limit of Liability or Deductible as shown in the Schedule, means Damage caused by any peril or circumstance not more specifically covered or excluded by this Policy other than: fire; lightning; thunderbolt; explosion; implosion; collapse; earthquake; subterranean fire; volcanic eruption; impact; aircraft and/or other aerial devices and/or articles dropped therefrom; sonic boom; theft; breakage of glass; loss of money; the acts of persons taking part in riots or civil commotions or of strikers or locked-out workers or of persons taking part in labour disturbances or of malicious persons or the acts of any lawfully constituted authority in connection with the foregoing acts or in connection with any conflagration or other catastrophe; storm and/or tempest and/or rainwater and/or wind and/or hail, and/or flood, and/or water or other liquids or substances discharged, overflowing or leaking from apparatus, appliances, pipes or any other system at the premises or elsewhere; or other peril mentioned under the heading in the Schedule, SUB-LIMITS OF LIABILITY.

Act of Terrorism means any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:

- a) involves violence against one or more persons; or
- b) involves damage to property; or
- c) endangers life other than that of the person committing the action; or
- d) creates a risk to health or safety of the public or a section of the public; or
- e) is designed to interfere with or to disrupt an electronic system.

CGU INSURANCE MANDATORY ENDORSEMENTS MEMORANDA TO SECTION 2

Infectious or contagious disease; vermin, pests or defective sanitary arrangements; food or drink poisoning; murder and suicide

Section 2 of the Policy is hereby extended to include the following additional memorandum:-
Loss as insured by the Policy resulting from interruption of or interference with the Business directly arising from closure or evacuation of the whole or part of the Insured Premises by order of a competent public authority consequent upon:

a) a Human Infectious or Contagious Disease, not otherwise excluded in the Policy, occurring at the Insured Premises; or

b) the discovery of vermin or pests or defects in the drains or other sanitary arrangements at the Insured Premises; or

- c) poisoning directly caused by the consumption of food or drink provided on the Insured Premises; or
- d) murder or suicide occurring in or at the Insured Premises;
and occurring during the Period of Insurance shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises for the purpose of the Business.

Provided that:

- i. for the avoidance of doubt, Perils Exclusion 14 applies to the cover provided by this Memorandum; and
- ii. the maximum amount payable under this Memoranda in the aggregate for the Period of Insurance is the Sub-Limit of Liability specified in the Schedule for 'Infectious or Contagious Diseases; Vermin, Pests or Defective Sanitary Arrangements; Food or Drink Poisoning; Murder, Suicide'; and
- iii. if a Sub-Limit of Liability is not specified in the Schedule for 'Infectious or Contagious Diseases; Vermin, Pests or Defective Sanitary Arrangements; Food or Drink Poisoning; Murder, Suicide' then the maximum amount payable under this memoranda in the aggregate for the Period of Insurance is \$250,000; and
- iv. this Memorandum will not apply if the Schedule specifies that 'Infectious or Contagious Diseases; Vermin, Pests or Defective Sanitary Arrangements; Food or Drink Poisoning; Murder, Suicide' is not insured under this Policy; and
- v. any use of the phrase 'in the annual aggregate' specified against the Sub-Limit of Liability in the Schedule for 'Infectious or Contagious Diseases; Vermin, Pests or Defective Sanitary Arrangements; Food or Drink Poisoning; Murder, Suicide' is replaced with the phrase 'in the aggregate for the Period of Insurance'; and
- vi. the Insurer(s) shall not be liable for any cost to clean up, decontaminate, disinfect, remove, replace, monitor and/or test for such diseases, conditions or circumstances described in this Memorandum.

For the purpose of this Memorandum only the following definitions apply:

'Insured Premises' means only the Situation as specified in the Schedule and/or Premises as specified in the Schedule that are directly owned, leased or controlled by the Insured and does not include any extension to the definition of Premises elsewhere in the Policy or Schedule.

'Human Infectious or Contagious Disease' means:-

1. influenza but not Highly Pathogenic Avian Influenza in humans or human influenza with pandemic potential; or
2. viral gastroenteritis, norovirus and rotavirus; or
3. legionnaires' disease (legionellosis)

PROPERTY EXCLUSIONS

Transmission & Distribution Lines Exclusion

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto it is hereby agreed and declared that the following Property Exclusion is included:

18. overhead transmission and distribution lines and their supporting structures of power-generating authorities or companies and telecommunications companies, but this exclusion shall not apply in respect of the aforementioned lines (and their supporting structures) that extend from the public highway to the insured premises and are the responsibility of the insured.

It is understood and agreed that public utilities extension and/or suppliers extension and/or contingent business interruption coverages are not subject to this exclusion, provided that these are not a part of transmitters' or distributors' policy

PERILS EXCLUSIONS

War & Terrorism

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto it is hereby agreed and declared that Perils Exclusion 1 is deleted in full and replaced by the following:

1. loss, destruction, damage, cost or expense of any nature 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 other sequence to the loss:

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

(b) any Act of Terrorism

(c) confiscation or nationalisation, or requisition or destruction of or damage to property by or under the order of any government (whether lawfully constituted or otherwise) or public or local authority.
Furthermore any loss, destruction or damage, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to Perils Exclusion 1(a), 1(b) or 1(c) is also excluded from this policy.

Pollution and Contamination

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto it is hereby agreed and declared that the following Perils Exclusion is included:

10. physical loss, destruction or damage occasioned by or happening through:
pollution or contamination except (unless otherwise excluded) loss or destruction of or damage to property or any part thereof used by the Insured at the premises for the purpose of the business caused by:

(a) pollution or contamination at the premises which itself results from fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious person, earthquake, storm, flood, bursting, overflowing discharging or leaking of water tanks, apparatus or pipes, sprinkler leakage or impact by any road vehicle or animal.

(b) any of the perils listed in (a) above which itself results from pollution or contamination.

Cyber and Data Exclusion

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto it is hereby agreed and declared that the following Perils Exclusion is included:

11. a) Cyber Loss, except that subject to all the terms, conditions, limitations and exclusions of this Policy or any endorsement thereto, this Policy covers physical loss, destruction or damage to Property Insured and any Time Element Loss directly resulting therefrom where such physical loss, destruction or damage is directly caused by the following perils if otherwise covered under the Policy:

- i. theft or burglary;
- ii. storm, windstorm, hail, tornado, cyclone, hurricane;
- iii. fire, lightning or explosion;
- iv. earthquake, volcano eruption or tsunami;
- v. flood, freeze or weight of snow;
- vi. aircraft impact or vehicle impact or falling objects;
- vii. water damage;
- viii. a change in temperature affecting refrigerated goods; or
- ix. machinery or electronic breakdown, including collapse or explosion of pressure equipment,

which directly results from a Cyber Incident, unless that Cyber Incident is caused by, contributed to by, resulting from, arising out of or in connection with a Cyber Act including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act; or

b) loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data.

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

In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

Notwithstanding any other provision of this Policy, this exclusion applies to all coverage extensions, additional coverages, exceptions to any exclusion and any other coverage grant(s).

This exclusion does not apply to loss directly caused by acts of fraud or dishonesty by employee(s) of the Insured provided these acts are otherwise covered under this Policy.

For the purpose of this exclusion, the following definitions shall apply:-

1. Computer System means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.

2. Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.

3. Cyber Incident means:

3.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or

3.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.

4. Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.

5. Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

6. Data Processing Media means any Property Insured on which Data can be stored but not the Data itself.

7. Time Element Loss means business interruption, contingent business interruption or any other consequential losses insured under this Policy.

Radioactive Contamination Exclusion Clause (with write back)

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto it is hereby agreed and declared that the following Perils Exclusion is included:

12. physical loss, destruction or damage to:

a) property eligible for insurance by the relevant local Nuclear Insurance Pool and/or Association; or

b) loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from:

i. ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;

ii. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;

iii. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter; or

iv. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.

The exclusion in this sub-clause iv. does not extend to radioactive isotopes, other than nuclear fuel or nuclear waste, when such isotopes are on the property insured and are being prepared, stored or used in the normal course of operations by the insured for the commercial, agricultural, medical, scientific or other similar peaceful purposes for which they were intended.

Sanction Limitation and Exclusion Clause

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto it is hereby agreed and declared that the following Perils Exclusion is included:

13. where the provision of cover or payment of a benefit under this Policy would expose CGU Insurance to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, Australia, United Kingdom or United States of America

Communicable Disease General Exclusion

It is hereby agreed and declared that the word 'disease' is deleted from Perils Exclusion 4(a) and the following Perils Exclusion is included:

14. any loss, damage, liability, cost or expense of whatever nature directly or indirectly caused by, arising from, contributed to or by, or in connection with:

a) disease; or

b) a Communicable Disease; or

c) any disease determined to be a 'listed human disease', or any disease in respect of which a 'biosecurity emergency' or 'human biosecurity emergency' is declared, under the Biosecurity Act 2015 (Cth) including any amendment, replacement, re-enactment, successor, equivalent or similar legislation including delegated legislation; or

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

e) any 'notifiable infectious disease' as defined under the Health Act 1956 (NZ) including any amendment, replacement, re-enactment, successor, equivalent or similar legislation including delegated legislation; or

- f) any 'notifiable organism' as defined under the Biosecurity Act 1993 (NZ) including any amendment, replacement, re-enactment, successor, equivalent or similar legislation including delegated legislation; or
- g) Highly Pathogenic Avian Influenza (HPAI) in humans; or
- h) Severe Acute Respiratory Syndrome (SARS); or
- i) rabies; or
- j) cholera; or
- k) smallpox; or
- l) any pandemic, epidemic or any other outbreak of infectious disease; or
- m) any:
 - i. mutation of; or
 - ii. fear or threat (actual or perceived) of; or
 - iii. action taken to control or prevent or suppress;
 any of the diseases, conditions or circumstances described in this exclusion.

Provided that this exclusion will not apply to physical loss, destruction or damage to Property Insured under the Policy and the consequential loss insured under the Policy resulting from such physical loss, destruction or damage caused by the following perils, subject to all other provisions of the Policy:

fire, burglary & theft, lightning, thunderbolt, explosion, implosion, smoke, earthquake, subterranean fire, volcanic eruption, impact, aircraft or other aerial devices or articles dropped therefrom, sonic boom, the acts of persons taking part in riots or civil commotions or of strikers or locked-out workers or of persons taking part in labour disturbances or of malicious persons or the acts of any lawfully constituted authority in connection with the foregoing acts or in connection with any conflagration or any catastrophe, storm, tempest, wind, rainwater, hail, snow, sleet, ice, steam, surface run-off, water or other liquids discharged or leaking from any apparatus, appliance, pipe, sprinkler or other water system, drain or water main.

For the avoidance of doubt "any loss, damage, liability, cost or expense" includes any cost to clean up, decontaminate, disinfect, remove, replace, monitor and/or test for such diseases, conditions or circumstances described in this exclusion.

For the purposes of this exclusion only 'Communicable Disease' means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not;
2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas between organisms; and
3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

It is understood and agreed that this exclusion will not be applied to the cover provided under the 'Infectious or contagious disease, vermin, pests or defective sanitary arrangements; food or drink poisoning; murder and suicide' Memoranda to Section 2 but only in respect of Australian domiciled businesses or premises for Human Infectious or Contagious Disease, not otherwise excluded in sub-clauses c), d), e), f), g), l) or m) above.

Notwithstanding any other provision of the Policy, this exclusion applies to all provisions, coverage, coverage extensions, additional coverages, exceptions to any exclusions and any other coverage grant(s) under the Policy including those provided by way of memoranda and/or endorsement and/or additional endorsement.

MEMORANDA APPLICABLE TO ALL SECTIONS

How Goods and Services Tax (GST) Affects Claim Payments

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto it is hereby agreed and declared that the following Memoranda Applicable to All Sections is included:
Where We make a payment under this Policy for the acquisition of goods, services or other supply, 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.

Where We make a payment under this Policy as compensation instead of payment for the acquisition of goods, services or other supply, We will reduce the amount of the payment by the amount of any input tax credit that You 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 other supply.

CONDITIONS APPLICABLE TO ALL SECTIONS

Proper Law

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto it is hereby declared and agreed that the following clause is included in the Conditions Applicable to All Sections:
This Insurance shall be governed by Australian Law. Each party to the contract agrees to submit to the jurisdiction of any court or competent jurisdiction within Australia and to comply with the requirements necessary to give such court jurisdiction. All matters arising hereunder shall be determined in accordance with the law and the practices of such court.

CORE ENDORSEMENTS

OPENERH4 ENDORSEMENTS ATTACHING TO AND FORMING PART OF INDUSTRIAL SPECIAL RISKS INSURANCE POLICY

(Headings have been included for ease of reference and it is understood and agreed that the policy and endorsements are not to be interpreted by reference to such headings.)
Notwithstanding anything contained herein to the contrary, it is hereby declared and agreed that the following endorsements are made to the policy:

Code *Endorsement Heading/Wording*

SECONEH4 SECTION 1 – MATERIAL LOSS OR DAMAGE INDEM1H4 THE INDEMNITY

ENQUIXB4 LIABILITY TO MAKE ENQUIRIES (A)

This policy extends to include costs and expenses incurred by the Insured in respect of any legal liability to make enquiries consequent upon physical loss, destruction or damage insured by this policy, but not exceeding the sub-limit stated in the Schedule.

PAYQCXS4 STATUTORY INQUIRIES

Paragraph (a) of The Indemnity shall extend to include costs and expenses incurred by the Insured in connection with Statutory Inquiries following Damage to Property Insured. The term 'Statutory Inquiries' shall mean any judicial, coronial or other form of inquiry or hearing established by or at the direction of any government, semi-government, local or planning authority as a direct result of Damage to Property Insured.

For the purpose of the application of Provision (iii) of the Reinstatement or Replacement Memorandum or the Co-Insurance Memorandum, the Insured's declared values at any Situation shall not include any allowance for the costs and expenses referred to in this extension.

NODAPCC4 ALARM RE-SETTING COSTS

The indemnity under paragraph (c) extends to include costs and expenses incurred to switch off and re-set alarms following an occurrence caused by an insured peril. The indemnity under paragraph (c) shall apply whether or not Damage occurs to Property Insured in circumstances giving rise to indemnity under Section 1 of this Policy.

LOSMPCA4 LOSS MINIMISATION COSTS (INCLUDING TRAVEL)

Clause (c) of The Indemnity in Section 1 is extended to incorporate such reasonable costs (including travelling expenses) incurred to avert or minimise losses by perils insured by this Policy, including the protection, safeguarding or recovery of Property Insured.

UNPAKXB4 UNPACKING EXPENSES

This policy extends to include costs and expenses incurred by the Insured in taking inventory (including unpacking, repacking and restacking) to identify, quantify and value any property physically lost, destroyed or damaged by any peril insured against by this Section, including examination of property not belonging to but in the care, custody or control of the Insured.

XPLORXS4 EXPLORATORY COSTS

Paragraph (c) of The Indemnity extends to include exploratory costs necessarily and reasonably incurred by the Insured to prevent imminent damage or diminish damage to Property Insured by any peril insured against by this Policy.

HANDYVS4 DEMOLITION AND REMOVAL OF OWNED PROPERTY

The words "which is no longer useful for the purpose it was intended" are deleted from Clause (f)(iii) of The Indemnity in Section 1.

REFIXXS4 REINSTATEMENT OF UNDAMAGED PROPERTY

Paragraph (f)(iii) of The Indemnity is extended to include the cost of reinstating any property belonging to the Insured that has been necessarily demolished and removed for the purpose of the reinstatement or replacement of Property Insured damaged by any peril insured against by this Policy.

AWARDPC4 AWARD LIABILITY FOR EMPLOYEES' CLOTHING AND/OR TOOLS (B)

The policy extends to indemnify the Insured for legal liability under any Federal or State Award or Determination for loss or destruction of or damage to employees' clothing and/or tools.

CLUBPPC4 PROPERTY OF EMPLOYEES AND CLUBS (D)

Paragraph (g) of The Indemnity is amended to read:

"(g) damage (limited to the amount shown in the Schedule per person or club) to personal effects (excluding money) belonging to directors and employees of the Insured or the property of welfare, sports and social clubs of the Insured, whilst on the Premises. The indemnity under this paragraph (g) shall apply whether or not Damage occurs to Property Insured in circumstances giving rise to indemnity under Section 1 of this Policy."

LUGGAPC4 ACCOMPANIED BAGGAGE IN AUSTRALIA (C)

The following clause is added to The Indemnity in Section 1: Material Loss or Damage: "Damage occurring anywhere in the Commonwealth of Australia other than on the premises of the Insured or of directors or employees of the Insured, to personal property belonging to directors and employees of the Insured whilst they are engaged on the business of the Insured to the extent that such property is not otherwise insured.

Provided that the indemnity afforded by this clause shall be limited to the amount specified in the Schedule in respect of each person and shall be subject to the deductible referred to in the Schedule of the policy against Accompanied Baggage in Australia (C). If no deductible is shown in the Schedule against this item, a \$1,000 deductible will apply. “

EXPEDXB4 EXPEDITING EXPENSES

The policy extends to include costs and expenses incurred by the Insured for express carriage rates and extra payments for overtime, night, Sunday or holiday working incurred in connection with the repair or reinstatement of the Property Insured directly or indirectly arising from an event insured by the policy.

PIPESXP4 COST OF CLEARING BLOCKED DRAINS, PIPES, FILTERS AND PUMPS (B)

The Indemnity clause is extended to include additional costs necessarily and reasonably incurred by the Insured in the clearance of blocked pipes, drains, gutters, sewers, filters, pumping equipment and the like during the Period of Insurance, including exploratory costs, at the Premises as a direct result of damage as insured herein.

For the purpose of the application of Provision (iii) of the Reinstatement or Replacement Memorandum or the Co-Insurance Memorandum, the Insured's declared values at any Situation shall not include any allowance for the costs referred to in this extension.

LDUTYVB4 LIABILITY FOR DUTY

The policy extends to include the Insured's liability for customs, excise and other duties that the Insured becomes liable to pay in the event of Damage to Property Insured.

NOAVEXB4 AMENDED PROVISIO

The proviso to the Indemnity is amended to read:

“Provided that only Clause (a) above shall be subject to any Co-insurance clause or memorandum contained in this policy.”

PRPRTYH4 THE PROPERTY INSURED

SALESXB4 CUSTOMERS' GOODS

The policy extends to insure goods belonging to the Insured's customers at the Premises, to the extent that such goods are not otherwise insured.

PROPBXS4 PROPERTY INSURED (B)

The first paragraph of the definition of The Property Insured is amended to read:

“All tangible property both real and personal of every kind and description (except as hereinafter excluded) belonging to the Insured or for which the Insured is responsible, or has assumed responsibility to insure prior to the occurrence of any Damage, including all such property in which the Insured may acquire an insurable interest or for Damage to which the Insured becomes responsible or assumes responsibility to insure, after the commencement of the Period of Insurance.”

TRCHQVS4 TRAVELLERS CHEQUES

The definition of Money is extended to include travellers' cheques.

BASIS1H4 BASIS OF SETTLEMENT

LANDSCP4 LANDSCAPING (C)

This Policy extends to include damage to landscaping; which term shall mean lawns, gardens, plants, shrubs, trees, rockwork, ornamentation and the like.

INDCLPC4 ELECTION TO CLAIM INDEMNITY VALUE (B)

Basis of Settlement (a) is extended to include the following extra provision:

“Provided further that if the Insured elects to claim the Indemnity Value of any Damaged property, the Insurer(s) shall be liable for no greater proportion of the loss of such property than the amount that the Insured's declaration, made at the time of commencement of the Period of Insurance, of the value of such property, bears to eighty per cent (80%) of the actual value of such property at the time of commencement of the Period of Insurance, but not exceeding the Limit of Liability expressed in the Schedule. Any amount recoverable under the Extra Cost of Reinstatement Memorandum shall not be taken into account in determining the Insurer's proportion of the loss of such property.”

SECURXS4 SECURITIES (A)

Basis of Settlement (e) is amended by deleting the word ‘securities’. In the case of Securities (which shall mean certificates of stock, bonds, coupons and all other types of securities), the basis of valuation shall be:

“(a) if, with the approval of the Insurer(s), the Securities can be replaced, the cost of replacement paid or payable by the Insured; or

(b) if the Securities cannot or are not to be replaced by the Insured, the greater of:

(i) the price for which the Insured purchased them; and

(ii) the closing market value on the last business day prior to the date of discovery by the Insured of the loss or destruction of the Securities or, if the time of discovery by the Insured is after the close of the market, their closing market value on the day of discovery by the Insured of the loss or destruction of the Securities;

(c) in the case of a loss of subscription, conversion or redemption privileges through the loss of any Security, the value of such privileges immediately preceding the expiration thereof;

such valuation being in the currency in which the loss was sustained. Losses sustained in currencies other than Australian dollars shall be settled by converting the amount of loss to Australian dollars at the market rate as set by the Reserve Bank of Australia at the time of settlement of the loss or such other rates as may be expressly agreed with the Insurer(s). If there is no market price or value on the relevant day stated herein, then the value shall be agreed between the Insured and the Insurer(s), or in default thereof, the Insured and the Insurer(s) shall submit to arbitration and be bound by the decision of the Umpire.”

BASIPCE4 BASIS OF SETTLEMENT (E)

In Section 1, Basis of Settlement (e) is amended to read:

“(e) On computer systems records, computer software, documents, manuscripts, securities, deeds, specifications, plans, drawings, designs, business books and other records of every description: The cost of repairing, replacing, reproducing or restoring same, including information contained therein or thereon, but excluding the value to the Insured of the said information or, if repair, replacement, reproduction or restoration is not carried out with reasonable despatch, the replacement cost of materials as blank stationery at the time and place of the damage.”

BASIPCG4 BASIS OF SETTLEMENT (G)

In Section 1, Basis of Settlement (g) is amended to read:

“(g) On glass: The cost incurred in repairing or replacing the broken glass in accordance with Australian Standard AS 1288-2006 or its current equivalent, including:

(i) temporary shuttering and/or hiring of security service pending replacement of broken glass; and

(ii) sign-writing or ornamentation on glass, replacement burglar alarm tapes or protective films on glass, removing and re-fixing of window and show-case frames and fittings, heat reflecting material or process on glass.”

VALPEPC4 VALUATION OF PROPERTY - EMPLOYEES & CLUBS (B)

In Section 1, Basis of Settlement (h) is amended to read:

“(h) On personal effects (excluding money) belonging to directors and employees and on the property of welfare, sports and social clubs: The necessary cost of replacement or repair at the time and place of replacement or, if not replaced with reasonable despatch, the replacement cost at the time and place of the damage subject to due allowance for wear and tear, depreciation and betterment. In no case shall the Insurer's liability exceed the Sub-Limit shown in the Schedule in respect of Property of Employees & Clubs (D). “

JEWLFP4 JEWELLERY AND FURS OF EMPLOYEES AND OTHERS (B)

The words “jewellery, furs” in Property exclusion 3 shall not apply to personal property belonging to employees and directors of the Insured not otherwise insured at the Insured's premises.

UNDELXB4 GOODS SOLD BUT NOT DELIVERED (A)

The Basis of Settlement under Section 1(d) of the policy is extended to include the following clause:

“On goods sold but not delivered for which the Insured is responsible and with regard to which, under the conditions of sale, the sale contract is by reason of the Damage cancelled either wholly or to the extent of the Damage, the contract price.”

ANTIQXS4 WORKS OF ART, ANTIQUES & CURIOS

The following paragraph is inserted after paragraph (i) of the Basis of Settlement clause in Section 1:

“On works of art, antiques and curios, none of which form part of the stock in trade or merchandise of the Business: Notwithstanding the first paragraph of Basis of Settlement (a), the cost of restoring and repairing to a condition substantially the same as before the Damage plus any reduction in market value caused by the Damage. If restoration or repair is not possible, the market value immediately before the Damage.”

PRSETXB4 PAIRS & SETS (A)

The basis of settlement under Section 1(h) of the policy is extended to include the following clause, notwithstanding clause (a):

“On personal property comprising a pair or set: The difference between the market or replacement value (whichever is greater) before the loss and the market or replacement value (whichever is greater) after the loss.”

MEMOS1H4 MEMORANDA TO SECTION 1 LABELXB4 LABELS, CONTAINERS & WRAPPINGS

In the event of Damage affecting labels, containers or wrappings, the Insurer(s) shall not be liable for more than an amount sufficient to pay the cost of new labels, containers or wrappings, and the cost of reconditioning the goods, but in no case shall the Insurer(s) be liable for more than the insured value of the damaged merchandise.

NODECPC4 DECLARED VALUES (B)

The memorandum to Section 1 under this heading is extended to include the following paragraphs:

“If asset movements between Situations used by the Insured have resulted in an under-declaration of value(s) at a Situation and an offsetting over-declaration of value(s) at one or more other Situation(s), then such factors shall be taken into account when calculating the test for the application of Co-insurance/Under-insurance.

Declared values shall not include any allowance for Extra Cost of Reinstatement nor any of the costs and expenses referred to under any of the clauses, except clause (g), of 'The Indemnity'."

RRFLEXB4 REINSTATEMENT OR REPLACEMENT PROVISION (vi)

The following additional Provision (vi) is included:

"(vi) If the Insured elects to reinstate destroyed property with dissimilar property whether or not to be used for a similar purpose as the destroyed property, the Insurer(s) shall pay the lesser of:

(a) the cost of the dissimilar property; or

(b) an amount equal to the replacement cost that would have been payable if the destroyed property had been reinstated by similar property in a condition equal to but not better or more extensive than its condition when new."

UMAKEXB4 REINSTATEMENT OF DAMAGE BY THE INSURED

If the Insured shall, after obtaining the consent of the Insurer(s), reinstate damaged property insured, the Insurer(s) shall pay the cost of such reinstatement including the value of labour and other overhead charges expended thereon together with a reasonable margin for profit. The liability of the Insurer(s) shall not exceed the amount that would otherwise have been payable hereunder had such reinstatement been carried out by outside contractors.

RELOCXS4 REINSTATEMENT ELSEWHERE

The bracketed words in Provision (i) of the Reinstatement or Replacement Memorandum are amended to read:

"(which may be carried out wholly or partially upon any other sites and in any manner suitable to the requirements of the Insured, but subject to the liability of the Insurer(s) not being thereby increased)"

THEFTXS4 FIRST LOSS INSURANCE - THEFT & MONEY

The Average/Under-insurance Memorandum shall not apply to any claim for theft or Money to which a Sub-Limit or Sub-Limits of Liability apply as stated in the Schedule. Neither Provision (iii) of the Reinstatement or Replacement Memorandum nor the Co-Insurance Memorandum shall apply to any claim for theft of Money to which a Sub-Limit or Sub-Limits of Liability apply as stated in the Schedule.

ADDECPC4 ADDITIONAL EXTRA COST OF REINSTATEMENT (B)

(Applicable to buildings, machinery, plant and all other property and contents other than those specified in items (b) to (i) under Basis of Settlement)

The policy extends to cover the additional extra cost of reinstatement including demolition or dismantling of the insured property damaged, necessarily incurred by the Insured to comply with the requirements of any Act of Parliament or regulation made thereunder or any by-law or regulation of any municipal or other statutory authority and not otherwise recoverable under the terms and conditions of the policy.

Provided that the indemnity afforded by this clause:

(a) shall be limited in respect of each loss or series of losses arising out of any one event to the amount shown in the Policy Schedule against 'Additional Extra Cost of Reinstatement (B)', which amount shall be separate from and additional to the Limit of Liability expressed in the Schedule of the policy in respect of buildings, machinery, plant and all other property and contents other than those specified in items (b) to (i) under Basis of Settlement;

(b) shall not include the additional cost incurred in complying with any such Act, regulation, by-law or requirement with which the Insured has been duly required to comply prior to the happening of the damage; and

(c) shall not be subject to the Co-insurance Memorandum contained in Section 1 of the policy.

The work of reinstatement (which may be carried out wholly or partially upon another site or sites if the aforesaid Act, by-law or regulation so necessitates subject to the liability of the Insurer(s) not being thereby increased) must be commenced and carried out with reasonable despatch, failing which the Insurer(s) shall not be liable to make any payment beyond the amount that would have been payable under the policy if this Memorandum had not been incorporated therein.

ECRELXS4 EXTRA COST OF REINSTATEMENT ELSEWHERE

Provision (i) of the Extra Cost of Reinstatement Memorandum is amended by deleting the words "if the requirements of the aforesaid Act, Regulation or By-Law so necessitate".

FSRIAVS4 FLOOR SPACE RATIO INDEX (PLOT RATIO) (A)

The words "in the event of any building(s) being damaged so as to constitute total loss or constructive total loss" are amended in the Memorandum under this heading to read: "if any building(s) being Property Insured is/are damaged and the cost of reinstatement is more than 50% of the cost of reinstatement if the building(s) had been totally destroyed".

ACQCPC4 ACQUIRED COMPANIES (D)

The Memorandum to Section 1 headed 'Acquired Companies' is deleted and the following Memorandum substituted for it in the MEMORANDA TO ALL SECTIONS:

"This Policy extends to include:

1. property located in Australia belonging to companies and other organisations, a controlling interest in which is acquired by the Insured during the Period of Insurance;

2. property located in Australia for Damage to which such companies or other organisations are legally responsible or for which they have assumed responsibility to insure prior to the occurrence of any Damage; and

3. any loss suffered by any such companies or organisations which is the subject of indemnity under Section 2 of this Policy.

The Insured must, within one (1) month of acquisition, declare in writing to the Insurer(s):

(a) the name of the company or other organisation and the nature of its business;

(b) the nature and extent of the property to be insured;

(c) the value of the indemnity provided, calculated in accordance with the relevant basis of settlement clauses;

and must pay any additional premium required and comply with any reasonable directions of the Insurer(s) with respect to the security or safety of that property.

The business of the acquired company or other organisation must be similar to the Business stated in the Schedule.

For the purpose of this Memorandum, a controlling interest shall, in the case of a company, mean the acquisition of shares carrying more than 50% of votes capable of being cast at a general meeting of all shareholders in the company.

All such property shall be Property Insured for the purpose of the Adjustment of Premium Memorandum and the Insured shall make declarations with respect to it accordingly and with respect to the indemnity provided under Section 2."

AVDELPC4 CO-INSURANCE MEMORANDUM – AMENDED (C)

Provision (iii) of the Reinstatement and Replacement memorandum is deleted, together with the Co-insurance memorandum and the Declared Values Memorandum.
The following additional memorandum shall apply to Section 1:

“Average/Under-insurance

The Insured is required to insure for full value calculated in accordance with the appropriate Basis of Settlement Clauses, as at the commencement of the Period of Insurance and, in relation to any Property Insured acquired after the commencement of the Period of Insurance, as at the time of acquisition of that property.

In the event of a claim, the moneys otherwise payable under Section 1 of this Policy shall be the proportion that the Insured’s declaration at the time of the commencement of the Period of Insurance of the value of all property insured at the Situation to which the Damaged item or items belong bears to 80% of the value of all such property as at the time of commencement of the Period of Insurance calculated in accordance with the appropriate Basis of Settlement Clauses.

This Memorandum shall not apply if the amount of the damage does not exceed 10% of the amount of the Insured’s declaration of value for that Situation.

This Co-Insurance Memorandum shall not apply to any claim for theft of Money to which a Sub-Limit(s) of Liability has been stated in the Schedule.

For the purposes of the application of this Clause, the Insured’s Declared Values at any Situation shall not include any allowance for Extra Cost of Reinstatement or for the costs and expenses referred to in the Additional Cover provided in Sub-Clauses (b) to (g).”

Provided further that this Clause is deleted for property forming part of the property insured, which has been insured under this Policy for the full value stated in a Valuation prepared by an Approved Valuer not less than three years before the commencement of the Period of Insurance, and which an Approved Valuer has updated not more than twelve months prior to the commencement of the Period of Insurance. Approved Valuer means a Certified Practising Valuer registered with The Australian Property Institute within the relevant property discipline.”

BETTAVB4 OUTPUT REPLACEMENT

Notwithstanding anything contained to the contrary in the Reinstatement or Replacement Memorandum, it is hereby declared and agreed that of the interest described in Basis of Settlement (a) of this policy, any property that has a measurable output and which is capable of replacement with a new item or items that perform a similar function shall be valued for insurance purposes as follows, and values for the settlement of any loss or damage in respect thereof shall be on the same basis:

(a) If property lost, destroyed or damaged is to be replaced by an item or items that have the same or a lesser total output, then the insurable value thereof is the new installed cost of such replacement item or items as would give the same total output as the property lost, destroyed or damaged.

(b) If property lost, destroyed or damaged is to be replaced by an item or items that have a greater total output and the new installed cost of such replacement property is no greater than the replacement value of the property lost, destroyed or damaged, then no deductions shall be made from any claim for the improved output.

(c) If the property lost, destroyed or damaged is to be replaced by an item or items that have a greater total output and the new installed cost of such replacement property is greater than the replacement value of the property lost, destroyed or damaged, then its insurable value is the greater of:

(i) the cost of replacement with similar property in a condition equal to but not better or more extensive than its condition when new; and

(ii) that proportion of the new installed cost that the output of the lost, destroyed or damaged property bears to the output of the replacement item or items. The difference between the insurable value so calculated and the new installed cost of the replacement item or items, shall be borne by the Insured.

No payment beyond the value of the destroyed property at the time of the happening of its damage shall be made hereunder until a sum equal to the value for settlement determined according to paragraphs (a), (b) and/or (c) hereof shall have been actually incurred. Provided that in the event of partial loss or damage where property is to be repaired, the Insurer(s) shall pay the cost of restoration of the damaged property to a condition substantially the same but not better nor more extensive than its condition when new and provided further that the liability of the Insurer(s) shall not exceed the sum representing the cost that the Insurer(s) could have been called upon to pay if such property had been wholly destroyed.

RUINSXB4 ABANDONED UNDAMAGED PORTION OF A BUILDING

If any building is Damaged and due to the exercise of statutory powers or delegated legislation or authority by any government department, local government or other statutory Authority, reinstatement of such building is carried out upon another site, then the abandoned undamaged portion of such building shall be deemed to have been destroyed; provided that if the presence of such abandoned undamaged portion of the building increases the sale value of the original site, the increase in sale value shall be regarded as salvage and the amount thereof shall be payable to the Insurer(s) by the Insured upon completion of any sale of the site or shall be deducted from the total amount otherwise payable by the Insurer(s) under this policy, whichever shall occur later.

All differences relating to the amount of such increase in site value shall forthwith be referred to the decision of two registered valuers; one to be appointed by each of the parties to this policy. If the two valuers do not agree, their differences shall be referred to the decision of a third valuer, appointed by the President of the Australian Institute of Valuers as an expert, whose decision shall be binding.

FDNOKVB4 UNDAMAGED FOUNDATIONS (A)

When Property Insured is damaged but its foundations are not destroyed and, due to the exercising of statutory powers or delegated legislation or authority by any government department, local government or other statutory Authority, reinstatement of the Property Insured is carried out upon another site or sites, then the abandoned foundations shall be deemed to have been destroyed.

If the presence of the abandoned foundations increases the sale value of the original site, then such increase shall be regarded as salvage and shall be payable to the Insurer(s) by the Insured upon completion of the sale, or shall be deducted from the total amount otherwise payable by the Insurer(s) under the policy, whichever shall occur later.

All differences relating to the amount of such increase in site value shall forthwith be referred to the decision of two registered valuers; one to be appointed by each of the parties to this policy. If the two valuers fail to agree, their differences shall be referred to the decision of a third valuer, appointed by the President of the Australian Institute of Valuers as an expert, whose decision shall be binding.

FOUNDXS4 UNDAMAGED FOUNDATIONS (B)

The term 'foundations' shall be deemed to include services, such as but not limited to conduits, pipes, cables and wiring, which are built in to footings, foundations or concrete floor slabs.

OBSOLXB4 UNDAMAGED ANCILLARY AND/OR PERIPHERAL EQUIPMENT

If plant and/or machinery is destroyed and its ancillary and/or peripheral equipment is not destroyed but, upon replacement of the destroyed plant and/or machinery, the ancillary and/or peripheral equipment is rendered superfluous, then such equipment shall be deemed to be destroyed and its salvage value shall be payable to the Insurer(s) by the Insured upon completion of any sale, or shall be deducted from the total amount otherwise payable by the Insurer(s) under the policy, whichever shall occur later.

APPLYXS4 APPLICATION OF DEDUCTIBLES

Deductibles shall apply to the Limits and Sub-Limits of Liability in accordance with the Schedule but the Limits and Sub-Limits of Liability shall only be applied in excess of the relevant deductible.

**SECTWOH4 SECTION 2 – CONSEQUENTIAL LOSS INDEMNITY
THERPCB4 PROPERTY AT OUTSIDE STORES AND OUTWORKERS' PREMISES (B)**

The following sentence is inserted at the end of the first paragraph of 'The Indemnity' in Section 2:

"Loss as insured by this Policy arising from an interruption of or interference with the Business in consequence of Damage to any property belonging to the Insured or for Damage to which the Insured is responsible, while such property is at any storage premises within Australia or at any situation within Australia where the Insured has any work or process carried out by contractors, shall be deemed to be loss arising from Damage to property used by the Insured at the Premises for the purpose of the Business."

BOILBVS4 PRESSURE VESSEL PERILS (B)

The second paragraph of 'The Indemnity' in Section 2 is amended to read:

"Provided that the Insurer(s) will not be liable for any loss under this Section unless the Insured's property lost, destroyed or damaged is insured against such Damage (loss arising out of destruction or damage by the explosion, implosion, rupture, collapse, bursting, cracking or overheating of any boiler, economiser or other pressure vessel, including pipes, valves and other apparatus forming part of any of these and in respect of any of which a certificate is required to be issued under the terms of any statute or regulation being excepted from this provision) and the insurer or insurers by which such property is insured shall have paid for or admitted liability in respect of such Damage unless no such payment shall have been made or liability shall not have been admitted therefore solely owing to the operation of a provision in such insurance excluding liability for loss below a specific amount."

**BASIS2H4 BASIS OF SETTLEMENT
GPADCPC4 GROSS PROFIT - AVERAGE/ UNDER-INSURANCE AMENDED (C)**

The final paragraph of Item No 1 is amended to read:

"Provided that if the estimated value of Gross Profit declared at the commencement of the Period of Insurance is less than eighty per cent (80%) of the sum produced by applying the Rate of Gross Profit to the Annual Turnover (appropriately increased if the Indemnity Period exceeds twelve months) which would have been achieved if the Damage had occurred on the day of commencement of the Period of Insurance, the amount payable hereunder shall be proportionately reduced."

This provision shall not apply if the amount of the loss does not exceed ten per cent (10%) of the estimated value of Gross Profit declared at the commencement of the Period of Insurance.

Provided further that;

(i) the Proviso to Item No. 1 is deleted, and,

(ii) the Definition for Annual Turnover is deleted, where the estimated value of Gross Profit declared at the commencement of the Period of Insurance has been stated in a Valuation prepared by LMI Group, MSM Loss Management, Martin Minett Claims Preparation or a valuer approved by the Insurer.

PAYAVDE4 DUAL PAY-ROLL - AVERAGE/UNDER-INSURANCE AMENDED (E)

The final paragraph of Item No 3 is amended to read:

"Provided that if the estimated value of Insured Pay-Roll declared at the commencement of the Period of Insurance is less than eighty per cent (80%) of the sum produced by applying the Pay-Roll Limits set out in the Schedule to the amount produced by applying the Rate of Pay-Roll to the Annual Turnover (appropriately increased if the Indemnity Period exceeds twelve months) which would have been achieved if the Damage had occurred on the day of commencement of the Period of Insurance, the amount payable hereunder shall be proportionately reduced."

This provision shall not apply if the amount of the loss does not exceed ten per cent (10%) of the estimated value of Insured Pay-Roll declared at the commencement of the Period of Insurance.

Provided further that the Proviso to Item No. 3 is deleted where the estimated value of Insured Pay-Roll declared at the commencement of the Period of Insurance has been stated in a Valuation prepared by LMI Group, MSM Loss Management, Martin Minett Claims Preparation or a valuer approved by the Insurer.

SEVERXB4 SEVERANCE PAY

(Not operative unless the Schedule contains a sub-limit for Severance Pay)

The insurance under this item is limited to such further additional expenditure beyond that recoverable under Clause (a) of Item no. 3 as the Insured is obligated or has agreed to pay under industrial awards, determinations, decisions or agreements for severance pay and/or in lieu of notice to employees whose services are terminated during the Indemnity Period in consequence of the Damage.

RENTPCB4 RENT PAYABLE (B)

(Not operative unless the Schedule contains a sub-limit for Rent Payable)

The insurance under this item is in respect of rent and other expenses payable and insurable by the Insured in accordance with the terms of any lease agreement and the amount payable as indemnity hereunder shall be such sum as the Insured shall be legally liable to pay and the lessor shall be legally entitled to receive during the Indemnity Period under the terms of the lease. The cover hereby granted shall be subject to the sub-limit stated in the Schedule against 'Rent Payable'.

For the purpose of this item, Indemnity Period means the period beginning with the date of the Damage and ending not later than the number of months shown in the Schedule against the Sub-Limit Rent Payable thereafter during which the results of the Business shall be affected in consequence of the Damage.

RENTRXB4 RENT RECEIVABLE

(Not operative unless the Schedule contains a sub-limit for Rent Receivable)

The insurance under this item is limited to the loss of rent receivable (including amounts due for services rendered and recoverable expenses) and the amount payable as indemnity hereunder shall be the amount by which rent (including amounts for services rendered and recoverable expenses) received or receivable during the Indemnity Period shall fall short of the amount which it may be reasonably estimated would have been received during that period had the Damage not occurred including the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of rent (including amounts for services rendered and recoverable

expenses), less any sum saved during that period in respect of the charges or expenses payable out of rent as may cease or be reduced in consequence of the Damage. The cover hereby granted shall be subject to the sub-limit stated in the Schedule against 'Rent Receivable'.

FINESPC4 CONTRACTUAL FINES AND PENALTIES (B)

The following item is added to Basis of Settlement Clause (Section 2):

"Item No. 6

The Insured is indemnified with respect to fines and penalties for breach of contract and the amount payable as indemnity hereunder shall be such sum(s) as the Insured shall be legally liable to pay and shall pay in discharge of fines and/or penalties incurred in consequence of the Damage, for non completion or late completion of orders, inability to meet contract specifications or cancellation of orders."

BDEBPCB4 ACCOUNTS RECEIVABLE (B)

(Inoperative unless a sub-limit for Accounts Receivable is shown in the Schedule)

The insurance under this item is limited to the loss sustained by the Insured in respect of all outstanding debit balances if the Insured is unable to effect collection thereof as a direct result of Damage to records of accounts receivable. The Insurers will also pay:

(i) interest charges at the Reserve Bank of Australia rates on any loan to offset impaired collections pending repayment of such amounts rendered uncollectible in consequence of the Damage;

(ii) interest lost by the Insured in consequence of such impaired collections;

(iii) additional expenditure necessarily and reasonably incurred in tracing and establishing the amounts of accounts receivable; and

(iv) collection expenses in excess of normal collection costs, incurred in consequence of the Damage.

Where there is proof that a loss covered by the policy has occurred, but the Insured cannot accurately establish the total amount of accounts receivable outstanding at the date of Damage, such amount shall be computed as follows:

(a) Determine the total amount of accounts receivable outstanding on the last working day of the fiscal month which ended twelve months before the beginning of the month in which the Damage occurs.

(b) Calculate the average increase or decrease in the monthly total amounts of accounts receivable outstanding on the last working day of each of the twelve months immediately preceding the month in which Damage occurs.

(c) The amount determined under paragraph (a), increased or decreased by the percentage calculated in accordance with paragraph (b) shall be deemed to be the total amount of accounts receivable outstanding at the time and date of the Damage.

(d) The amount determined under paragraph (c) shall be adjusted as may be necessary to provide for any demonstrable variance from the amount so determined occurring before but during the month in which the Damage occurs; due consideration also being given to normal monthly trends in receipts.

There shall be deducted from the total amount of accounts receivable, however established, the amount of such accounts evidenced by records not lost or damaged, or otherwise established or collected by the Insured, and an equitable amount to provide for doubtful debts. The cover hereby granted shall be subject to the sub-limit stated in the Schedule against 'Accounts Receivable'.

GRENTCC4 GROSS RENTAL SPECIFICATION (C)

The following clauses are deleted from the policy:

- Item No.1: Gross Profit
- Item No.3: Pay-roll

Definitions of:

- Gross Profit
- Turnover
- Pay-roll
- Shortage in Turnover
- Rate of Gross Profit
- Annual Turnover
- Standard Turnover
- Rate of Pay-roll

Memoranda entitled:

- Turnover elsewhere after the Damage
- Departmental Clause
- New Business
- Accumulated Stocks
- Turnover/Output Alternative
- Salvage Sale

and replaced by the following clauses:

“Item No. 1

The Insurance under this Item 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 thereunder shall be:

(a) in respect of reduction in Gross Rentals: The amount by which the Gross Rentals during the Indemnity Period shall, in consequence 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 in consequence 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 charges and expenses of the Business as may cease or be reduced in consequence of the Damage.

Provided that if the estimated value of Gross Rentals declared at the commencement of each Period of Insurance is less than 80% of the Annual Gross Rentals (or the appropriate multiple if the Indemnity Period exceeds twelve months), the amount payable hereunder shall be proportionately reduced.

This provision shall not apply if the amount of the loss does not exceed 10% of the estimated value of Annual Gross Rentals declared at the commencement of the Period of Insurance.

Provided further that;

- (i) the Proviso to Item No. 1 is deleted, and,
- (ii) the Definition for Annual Gross Rentals is deleted,

where the estimated value of Gross Rentals declared at the commencement of the Period of Insurance has been stated in a Valuation prepared by LMI Group, MSM Loss Management, Martin Minett Claims Preparation or a valuer approved by the Insurer.

Definitions

Gross Rentals: The money paid or payable to the Insured by tenants or to others as outgoings as required by the rental agreement in respect of the Premises and for services rendered by or on behalf of the Insured.

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

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

Such adjustments shall be made [to Standard Gross Rentals and Annual Gross Rentals] as may be necessary to provide for the trend of the Business and for variations in or other circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage.

Memoranda

Gross Rentals elsewhere after Damage: If during the Indemnity Period the Business shall be conducted elsewhere than at the Premises, the Gross Rentals derived from such other premises shall be brought into account in arriving at the Gross Rentals during the Indemnity Period.

Departmental Clause: If the Business be conducted in departments, the independent trading results of which are ascertainable, the provisions of clauses (a) and (b) of Item No. 1 shall apply separately to each department affected by the Damage.

New Business: In the event of Damage occurring at Premises before completion of the first year's trading of business, the terms 'Standard Gross Rentals' and 'Annual Gross Rentals' shall bear the following meanings and not as within stated:

Standard Gross Rentals: The proportional equivalent for a period equal to the Indemnity Period of the Gross Rentals realised during the period between the commencement of the Business and the date of the Damage.

Annual Gross Rentals: The proportional equivalent, for a period of twelve months of the Gross Rentals realised during the period between the commencement of the business and the date of the Damage.

Such adjustments shall be made [to Standard Gross Rentals and/or Annual Gross Rentals] as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage."

GREVNCC4 GROSS REVENUE SPECIFICATION (C)

The following clauses are deleted from the Policy:

- Item No.1: Gross Profit
- Item No.3: Pay-roll

Definitions of:

- Gross Profit
- Turnover

- Pay-roll
- Shortage in Turnover
- Rate of Gross Profit
- Annual Turnover
- Standard Turnover
- Rate of Pay-roll

Memoranda entitled:

- Turnover elsewhere after the Damage
- Departmental Clause
- New Business
- Accumulated Stocks
- Turnover/Output Alternative
- Salvage Sale

and replaced by the following clauses:

"Item No. 1

The Insurance under this Item is limited to loss of Gross Revenue due to (a) Reduction in Gross Revenue and (b) Increase in Cost of Working and the amount payable as indemnity thereunder shall be:

(a) in respect of reduction in Gross Revenue: The amount by which the Gross Revenue during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Gross Revenue;

(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 loss of Gross Revenue which, but for that expenditure, would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the amount of the reduction in Gross Revenue thereby avoided;

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

Provided that if the estimated value of Gross Revenue declared at the commencement of each Period of Insurance is less than eighty percent (80%) of the Annual Gross Revenue (or the appropriate multiple if the Indemnity Period exceeds twelve months) the amount payable hereunder shall be proportionately reduced.

This provision shall not apply if the amount of the loss does not exceed 10% of the estimated value of Annual Gross Revenue declared at the commencement of the Period of Insurance.

Provided further that;

(i) the Proviso to Item No. 1 is deleted, and,

(ii) the Definition for Annual Gross Revenue is deleted, where the estimated value of Gross Revenue declared at the commencement of the Period of Insurance has been stated in a Valuation prepared by LMI Group, MSM Loss Management, Martin Minett Claims Preparation or a valuer approved by the Insurer.

Definitions

- **Gross Revenue:**

The money paid or payable to the Insured for services rendered (and goods, if any, sold) in the course of the Business at the Premises.

- **Standard Gross Revenue:**
The Gross Revenue during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period.
- **Annual Gross Revenue:**
The Gross Revenue earned during the twelve months immediately before the date of the Damage. Such adjustments shall be made [to the Standard Gross Revenue and Annual Gross Revenue] as may be necessary to provide for the trend of the Business and for variations in or other circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage.

Memoranda

- **Gross Revenue elsewhere after Damage:** If during the Indemnity Period services shall be rendered or goods shall be sold elsewhere than at the Premises for the benefit of the Business either by the Insured or by others on the Insured's behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Gross Revenue during the Indemnity Period.
- **Departmental Clause:** If the Business be conducted in departments; the independent trading results of which are ascertainable, the provisions of clauses (a) and (b) of Item no. 1 shall apply separately to each department affected by the Damage.
- **New Business:** In the event of Damage occurring at the Premises before completion of the first year's trading of business, the terms 'Standard Gross Revenue' and 'Annual Gross Revenue' shall bear the following meanings and not as within stated:
- **Annual Gross Revenue:** the proportional equivalent, for a period of 12 months of the Gross Revenue realised during the period between the commencement of the Business and the date of the Damage.
- **Standard Gross Revenue:** the proportional equivalent for a period equal to the Indemnity Period, of the Gross Revenue realised during the period between the commencement of the Business and the date of the Damage.
- To which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or other circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage

DEFINEH4 DEFINITIONS

BOOSTXB4 GOVERNMENT INCENTIVES

The definition of 'Turnover' is extended to include financial incentives or concessions granted to the Insured by any Australian or State Government Department in recognition of specific performance in the development of market opportunities or employment of disadvantaged persons.

OPCONXS4 CONSOLIDATED PERIOD

The term Consolidated Period means the sum of the number of weeks specified in the Schedule applicable to clause (a)(i) of Item No. 3 and the percentage specified in the Schedule of the remaining portion of the Indemnity Period applicable to clause (a)(ii) of Item No. 3.

INSPRXS4	<p>INSURED PAY-ROLL</p> <p>The term Insured Pay-Roll means the declared value of estimated Pay-Roll in respect of the Consolidated Period referred to in Item No. 3 and specified in the Schedule, declarable as at the day of commencement of the Period of Insurance.</p>
FBTSPVB4	<p>PAY-ROLL: AMENDED DEFINITION (A)</p> <p>The definition of Pay-Roll in Section 2 of the Policy is amended to read: “The remuneration (including but not limited to pay-roll tax, fringe benefits tax, bonuses, holiday pay, sick pay, long service leave, workers’ compensation insurance premiums and/or accident compensation levies, superannuation and pension fund contributions and the like) paid to all employees of the Insured.”</p>
MEMOS2H4	<p>MEMORANDA TO SECTION 2</p>
SPLITVS4	<p>DEPARTMENTAL CLAUSE</p> <p>The Memorandum under this heading is amended to read: “If the Business is conducted in departments or business units the independent trading results of which are ascertainable, the provisions of Clauses (a) and (b) of Item nos. 1 and 3 shall apply separately to each department or unit affected by the Damage.”</p>
STOCKVS4	<p>ACCUMULATED STOCKS</p> <p>The words “of finished goods” are deleted from the Memorandum under this heading.</p>
UTILXPC4	<p>REMOTE PREMISES OF PUBLIC UTILITIES (B)</p> <p>The Memorandum headed ‘Public Utilities Extension’ is amended to read:</p> <p>“Any loss resulting from interruption of or interference with the Business directly or indirectly in consequence of Damage, anywhere in Australia to land based premises of any communication station, electric power station or sub-station, gasworks, waterworks, sewerage pumping or sewerage treatment works of a supply undertaking from which the Insured obtains communication services, electric current, gas, water or sewage service shall be deemed to be loss resulting from Damage to Property used by the Insured at the Premises. It shall not be a condition precedent to liability under this endorsement that payment shall be made or liability admitted for damage under Section 1 of the policy.</p> <p>The cover provided by this extension shall be subject to the sub-limit stated in the Schedule against Remote Premises of Public Utilities (B).”</p>
OCPBIPC4	<p>OTHER CONTRIBUTING PROPERTIES</p> <p>Any loss resulting from interruption of or interference with the Business in consequence of Damage to any other property (not more specifically mentioned in this Policy) at any situation in Australia not owned or operated by the Insured, but which wholly or partly prevents delivery of materials, goods or services to the Insured and/or to the Insured’s customers shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.</p>
OPALTXB4	<p>TURNOVER/OUTPUT ALTERNATIVE AMENDED</p> <p>The memorandum headed ‘Turnover/Output Alternative’ in Section 2 of this Policy is amended to read:</p> <p>“If it gives a more equitable result in determining the actual loss sustained by the Insured, the term ‘Output’ may be substituted for the term ‘Turnover’ and, for the purpose of this Section, ‘Output’ shall mean the sale and/or invoice value of goods manufactured and/or processed by the Insured in the course of the Business at the Premises. Provided that only one such term shall be operative in connection with any one event involving Damage.”</p> <p>If the meaning set out above is used, the memorandum ‘Trading Elsewhere After Damage’ shall be altered to read as follows:</p>

"If during the Indemnity Period goods shall be manufactured and/or processed other than at the Premises for the benefit of the Business either by the Insured or by others on the Insured's behalf the sale value of the goods so manufactured and/or processed shall be brought into account in arriving at the Output during the Indemnity Period."

And the memorandum titled 'Accumulated Stocks' shall be altered to read as follows:

"In adjusting any loss under this Section, account shall be taken and equitable allowance made if any Shortage in Output due to the Damage is postponed by reason of the Output being temporarily maintained from accumulated stocks."

SANZBPC4 UNSPECIFIED SUPPLIERS' AND/OR CUSTOMERS' PREMISES (AUSTRALIA & NEW ZEALAND – SINGLE LIMIT) (B)

Loss resulting from interruption of or interference with the business in consequence of Damage to property at the premises, anywhere in Australia or New Zealand, of any direct producer or direct merchant shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.

The liability of the Insurer(s) under this endorsement, in respect of any one loss or series of losses arising out of any one event or occurrence at any one premises, shall be limited to amount stated in the Sub-Limit of Liability noted in the Schedule against Unspecified Suppliers and/or Customers Premises.

For the purposes of this endorsement, the term 'premises of a producer' refers to premises, other than those described in the Public Utilities Extension to Section 2 of the policy, at which any of the goods or services used directly by the Insured are produced, assembled or stored. The term 'premises of a merchant' refers to premises to which the Insured directly provides goods or services.

UNSPEZC4 UNSPECIFIED SUPPLIERS' AND/OR CUSTOMERS' PREMISES (WORLDWIDE) (C)

Loss resulting from interruption of or interference with the business in consequence of Damage to property at the premises, anywhere in the world (excluding Afghanistan, Albania, Angola, Armenia, Azerbaijan, Belarus, Bosnia-Herzegovina, Bulgaria-Herzegovina, Bulgaria, Burma/Myanmar, Democratic Republic of Congo, Cuba, Eritrea, Georgia, Republic of Guinea, Iran, Iraq, Ivory Coast (Republic of Cote d'Ivoire), Kazakhstan, Kampuchea, Kyrgyzstan, Laos, Lebanon, Liberia, Libya, Macedonia, Montenegro, North Korea, Mongolia, Romania, Rwanda, Serbia, Sierra Leone, Somalia, Sudan (North and South), Syria, Tajikistan, Tibet, Turkmenistan, Ukraine, Uzbekistan, Zaire and/or Zimbabwe) of any producer or merchant shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.

The liability of the Insurers(s) under this endorsement, in respect of any one loss or series of losses arising out of any one event or occurrence at any one premises, shall be limited to the sub-limit stated in the Schedule, in respect of any one loss or series of losses arising out of any one event or occurrence.

For the purposes of this endorsement, the term "premises of a producer" refer to premises, other than those described in the Public Utilities Extension Section 2 of the policy, at which any of the goods or services used by the Insured are produced, assembled or stored. The term "premise of a merchant" refers to premises to which the Insured provides goods or services.

The extension specifically excludes losses arising from:

- i. Earthquake, tsunami, volcanic eruption, hydrothermal or geothermal activity, or subsequent fire,
- ii. Flood, or
- iii. Storm

- ROYALPC4 ROYALTIES RECEIVABLE (B)**
(This clause is only operative when a sub-limit is shown in the Schedule)
- Loss of royalties receivable in consequence of Damage to property at the specified premises anywhere in the world of any company, firm or person identified in the Schedule against 'Royalties Receivable' shall, subject to the sub-limit stated in the Schedule, be deemed to be loss resulting from Damage to property used by the Insured at the Premises.
- EXHIBXB4 TRADE EXHIBITIONS (A)**
Loss as insured by Section 2 of the policy resulting from interruption of or interference with the Business due to curtailment of any trade exhibition anywhere in the world in consequence of Damage thereat and/or to property exhibited therein by the Insured shall be deemed to be loss resulting from damage to property used by the Insured at the Premises. Provided that the liability of the Insurer(s) shall be limited to the sub-limit stated in the Schedule of the policy against 'Trade Exhibitions' for any one loss or series of losses arising out of any one event or occurrence.
- LOWERXS4 REDUCED MARGIN**
If, in consequence of Damage giving rise to a claim under this Policy, Turnover is maintained at a reduced Rate of Gross Profit, an equitable allowance shall be made for the loss of Gross Profit resulting from an increase in the ratio to Turnover of stock usage or purchases (adjusted for stock variations). No allowance shall be made for an increase in the ratio to Turnover of any other uninsured expenses.
- EXCLNSH4 EXCLUSIONS TO ALL SECTIONS PROPEXH4 PROPERTY EXCLUSIONS**
- AWAYBXS4 TEMPORARY REMOVAL EXEMPTION (B)**
The final sentence of Property Exclusion 1 is amended to read:
- "This Exclusion shall not apply during temporary removal of property (other than stock and/or merchandise), including unregistered motor vehicles other than where used as stock and/or merchandise of the Business, to any situation within the Commonwealth of Australia and whilst at such situation. Whilst such property is in transit (excluding loading, unloading and storage in transit), cover is limited to physical loss, destruction or damage caused by fire, lightning, explosion, earthquake, aircraft, riot, strikes, malicious damage and storm and/or tempest."
- IMPERXS4 IMPERMANENT REMOVALS**
For the purposes of Property Exclusion 1, the term 'temporary removal' means removal for a particular purpose, other than insured property out on hire, with the intention that the property be returned to the place from which it has been removed when that purpose has been served.
- MONEYVS4 MONEY CARRIERS - OTHER INSURANCE**
The first paragraph of Property Exclusion 2(a) is amended to read:
"(a) whilst being carried by professional money carriers, professional carriers or common carriers which is insured by any person or entity other than the Insured except to the extent of any Damage in excess of the amount of that insurance."
- BUSHRXS4 BUSINESS HOURS**
For the purposes of Property Exclusion 2(c), the Insured's business hours shall mean the period during which the Insured's premises are actually occupied for business purposes and during which the Insured or employees of the Insured are in the premises.

LATERXB4 LOSS DISCOVERED LATE

Property Exclusion 2(d) is amended to read:

“(d) where the loss is not discovered within fifteen (15) working days of the event.”

CAGEFOP4 DECORATIVE LIVESTOCK (FIRE COVER ONLY)

Property Exclusion 6 is amended to read:

“6. Livestock, animals, birds or fish (other than birds or fish used solely for decorative purposes and only in respect of loss arising from fire only).”

PAVEDPC4 PAVED AREAS (B)

This exclusion is amended to read:

“9(a) bridges, canals, roadways (other than driveways, vehicle parking or manoeuvring areas and other paved areas at the Premises used or occupied by the insured for the purposes of its business) and tunnels, dams and reservoirs (other than tanks) and their contents.

(b) railway tracks (other than on the premises occupied or used by the Insured for the purpose of its business.”

PRPAIRP4 PROPERTY IN THE OPEN AIR (STORM) (A)

Property Exclusion 13(a) is amended to read:

“13(a) textile awnings and blinds;”

Property Exclusion 13(b) is amended to read:

“13(b) property in the open air unless such property is designed to function without the protection of walls or roof; caused by wind, rainwater or hail.”

WXISTPC4 CONTRACT WORKS - EXISTING STRUCTURE (B)

This exclusion is amended to read:

“14(a) property included in a project of construction, erection, alteration or addition, including the partial dismantlement of existing structures, where the total contract value of all work to be carried out at any one situation during such activity exceeds 10% of the Limit of Liability or \$1,000,000, whichever is the lesser. Provided that this Exclusion 14(a) shall apply only to the works comprising such construction, erection, alteration or addition and not to any original or existing structures.”

FUSEDXB4 FUSION

The policy extends to indemnify the Insured against loss, destruction of or damage to any part or parts of the electrical, electro-mechanical and electronic machines, switchboards, installations or apparatus forming part of the Property Insured (excluding rectifiers, radio, television or amplifying equipment of any description) caused by the actual burning out of such part or parts by the electric current therein.

The Insurer(s) shall not be liable under this endorsement for:

(a) loss of use, depreciation, wear and tear.

(b) loss, destruction of or damage to:

(i) lighting or heating elements, fuses or protective devices;

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

The liability of the Insurer(s) shall not exceed the sub-limit stated in the schedule of the policy against "Fusion" for any one loss or series of losses arising out of any one event or occurrence at any one location.

BOIL2VS4	<p>PRESSURE VESSEL PERILS - SECTION 2</p> <p>The final sentence of Property Exclusion 17 is amended to read: “The provisions of this Exclusion shall not apply to Section 2 of this Policy.”</p>
RDPVSVS4	<p>RESULTANT DAMAGE TO PRESSURE VESSELS</p> <p>Property Exclusion 17 is extended to include the following provision: “Provided that the Insurer(s) will indemnify the Insured for any Damage to the aforementioned items caused directly by any circumstances not excluded under Section 1 of this Policy, notwithstanding that these circumstances may in turn have been caused by any of the circumstances specified in this Property Exclusion 17.”</p>
PERILXH4	PERILS EXCLUSIONS
RADIAXB4	<p>NUCLEAR: EXEMPT EQUIPMENT</p> <p>Perils Exclusion 2 is amended by adding the following:</p> <p>“This Exclusion (2) does not apply to any radiations emitted by spectrometers, X-ray units, diathermy machines, equipment for radio and television broadcasting, telecommunications equipment, radar installations or industrial and commercial appliances used for sealing plastics or for welding, heating, drying and cooking.”</p>
FLOODXB4	<p>FLOOD</p> <p>Paragraph (a) of Perils Exclusion 3 is deleted.</p>
DRAINPC4	<p>FLOOD – AMENDED DEFINITION (B)</p> <p>The definition of "flood" forming part of Perils Exclusion 3 (a) is amended to read: The covering of normally dry land by water that has escaped or been released from the normal confines of:</p> <p>(a) any lake, or any river, creek or other natural watercourse, whether or not altered or modified; or</p> <p>(b) any reservoir, canal or dam.</p>
THEFOAP4	<p>THEFT OF PROPERTY IN OPEN AIR</p> <p>(Not operative unless the Schedule indicates otherwise)</p> <p>Perils Exclusion 6(a) is deleted for any losses arising from theft of property in the open air up to the amount of the Sub-Limit shown in the Policy Schedule.</p> <p>Provided that cover is only afforded only for property within the boundaries of the Insured's locations, as specified on the Schedule</p>
RDAIRVS4	<p>THEFT IN OPEN - RESULTANT DAMAGE</p> <p>Perils Exclusion 6(a) is extended to include the following additional provision:</p> <p>“Provided further that the Insurer(s) will indemnify the Insured for any Damage to Property Insured caused directly by any circumstances not excluded under Section 1 of this Policy, notwithstanding that these circumstances may in turn have been occasioned by or happened through theft of property (other than Money in transit) in the open air.”</p>
FIDELPC4	<p>DISHONEST ACTS BY EMPLOYEES (C)</p> <p>The following provision is added to Perils Exclusion 7(a)(i):</p> <p>“Provided that this exclusion shall not apply to theft consequent upon forcible and violent entry upon premises or felonious concealment upon premises committed by an employee of the Insured;”</p>

In addition, the following provision is included at the end of Perils Exclusion 7:

“Provided further that the term ‘dishonest acts’, in relation to any of the Insured’s employees, shall not be deemed to mean acts of arson or vandalism for the purposes of Perils Exclusion 7.”

SUBSDVS4 SUBSIDENCE CAUSED BY SEISMOLOGICAL DISTURBANCE
Perils Exclusion 7(c) is extended to include the following provision:

“Provided that this Exclusion 7(c) shall not apply if Damage is caused by or arises out of an earthquake or seismological disturbance.”

HOLDUPC4 HOLD-UP/THEFT
Perils Exclusion 7(d) is amended by adding the words “provided that this exclusion shall not apply to loss caused by hold-up and/or theft or any attempt thereat”.

DEPRPCB4 DEPRECIATION OF UNDAMAGED STOCK (B)
The following paragraph is inserted after paragraph (i) of the Basis of Settlement clause in Section 1:

“(j) Notwithstanding anything contained in this Policy to the contrary, in particular Property Exclusion 12 and Perils Exclusion 9, the Insurer will, to an extent not exceeding the value of the goods in storage remaining after its liability for any such direct loss has been determined and subject otherwise in all respects to the terms and conditions of this insurance, except as specifically varied hereby, also hold themselves liable for damage caused by deterioration of such goods due to the Insured’s inability to process the goods in the normal way as a result of damage caused by any peril or circumstance insured by this Policy to any property used by the Insured.”

LNDVPCB4 LOSS OF LAND VALUE
Notwithstanding the provisions of Perils Exclusion 9 and Property Exclusion 8:

(a) in the event of the absolute refusal by the competent local or government Authority to allow the reconstruction of the Premises following destruction or damage, the Insurer(s) shall pay by way of indemnity the amount of excess of the Land Value before the destruction or damage to improvements, over the Land Value after, the destruction or damage to improvements; or

(b) in the event of the competent local or government Authority allowing only partial reconstruction of the Premises after destruction or damage, the Insurer(s) shall pay by way of indemnity the deficiency between the Land Value after such reconstruction and the Land Value before the destruction or damage;

less any sum paid by way of compensation by such Authority arising out of the action referred to in (a) or (b) above. The liability of the Insurer(s) shall be limited to the sub-limit stated in the Schedule of the policy against ‘Loss of Land Value’ for any one loss or series of losses arising out of any one event or occurrence at any one location.
Definitions

Land Value: The sum certified by the Valuer General as being the value of the land so described in the policy after due allowance has been made for variations in, or other circumstances affecting, such value either before or after the damage or which would have affected the value had the damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the true Land Values pertaining both before and after the damage.

Special Conditions

1. Settlement shall be made following the ruling of the competent local or government Authority resulting in the loss of Land Value. Should settlement have been made, however, and subsequently the ruling of the competent local or government Authority be changed prior to completion of the reconstruction, resulting in an increase in the Land Value, that part of the claim paid in excess of the revised Land Value shall be refunded to the Insurer(s).

2. All differences relating to the Land Value arising out of the policy shall forthwith be referred to the decision of two registered valuers; one to be appointed by each of the parties and in case the two registered valuers do not agree, of a third valuer, appointed by the President of the Australian Institute of Valuers as an expert, whose decision shall be binding.

MEMOSAH4 MEMORANDA APPLICABLE TO ALL SECTIONS

LETGDPD4 AMOUNT OF POLICY NOT REDUCED BY LOSS (D)

The Memorandum applicable to all Sections and headed "Amount of Policy not Reduced by Loss" is deleted and replaced by the following:

"Unless the Insured requests otherwise the Insurance under each section and/or item of this Policy and the Indemnity Period shall be automatically reinstated in the event of any loss in consideration of the payment by the Insured upon request by the Insurer(s) of a pro-rata additional premium calculated on the amount of the loss settlement at the rate(s) agreed for the Period of Insurance."

Any clause in the policy which gives Automatic reinstatement shall not apply in respect of limits stated to be in the annual aggregate during any one period of insurance.

TOPUPXS4 AUTOMATIC REINSTATEMENT

The Memorandum applicable to all Sections and headed 'Amount of Policy not reduced by Loss' is further amended to read:

"The Insurance under each section and/or item of this Policy and the Indemnity Period shall be automatically reinstated in the event of any loss in consideration of the payment by the Insured upon request by the Insurer(s) of a pro-rata additional premium calculated on the amount of the loss settlement at the rate(s) agreed for the Period of Insurance."

EVNTCVS4 EVENT (C)

The Memorandum applicable to all Sections and headed 'Event' is amended to read:

"Only for the purpose of the application of any deductible: all loss, destruction or damage resulting from earthquake, volcanic eruption, subterranean fire or atmospheric disturbance occurring during each period of 72 consecutive hours shall be considered as one event whether continuous or sporadic in its sweep and/or scope and whether the loss, destruction or damage was due to the same seismological or meteorological conditions. Each event shall be deemed to have commenced on the first happening of any such loss, destruction or damage, not within the period of any previous event."

NOSUBVS4 PUBLIC AUTHORITIES, STORAGE, LEASE AND HIRE AGREEMENTS

The Memorandum headed 'Subrogation Waiver' is extended to include the following clause:

"The Insured may, without prejudicing its position under this Policy:

1. release any statutory governmental, semi-governmental or municipal authority from any liability if required by any contract to do so;

2. agree to enter into a contract for storage of goods or merchandise even if the terms of the contract include a disclaimer clause; and

3. agree to enter into a lease for occupancy of any building or part of a building or a lease or hiring of property where the terms of the lease or hiring include a disclaimer clause in favour of the lessor or the owner."

OTHERXB4 SUBROGATION WAIVER (OTHER INTERESTED PARTIES)

The wording of the memorandum to all Sections, headed "Subrogation Waiver", is extended to include the following paragraph:

any party described in the memorandum to Section 1, headed "Interests of Other Parties", unless the Insured expressly agrees to the pursuit of recovery action against that party.

ADJPMXB4 ADJUSTMENT OF PREMIUM

The memorandum to all Sections, headed 'Adjustment of Premium' is extended to include the following clause:

"(f) If any claim paid or payable under Section 1 and/or 2 of the policy in respect of Damage occurring during the period of insurance is reduced due to under-insurance in accordance with the provisions of a Co-insurance or Average clause or clauses, the Insurer(s) shall waive any additional premium for that period of insurance, which would otherwise be payable in accordance with this memorandum."

ADJGRXB4 PREMIUM ADJUSTMENT - GROSS RENTALS

(Not operative unless the Schedule contains a sub-limit for Gross Rentals)

Provisions (a)(ii) and (b)(ii) of the "Adjustment of Premium" memorandum are amended to read:

"(a)(ii) estimated amount of Gross Rentals;"

And

"(b)(ii) the amount of Gross Rentals received, in accordance with the cover afforded in the respective item of Section 2, in the course of the Business during the most recent accounting period of twelve months ending on or prior to the date of expiry of the period of insurance."

GRADJXB4 PREMIUM ADJUSTMENT - GROSS REVENUE

(Not operative unless the Schedule indicates Gross Revenue)

Provisions (a)(ii) and (b)(ii) of the adjustment of premium memorandum are amended to read:

"(a)(ii) Estimated amount of Gross Revenue;"

And

"(b)(ii) The amount of Gross Revenue received, in accordance with the cover afforded in the respective item of Section 2, in the course of the Business during the most recent accounting period of twelve months ending on or prior to the date of expiry of the period of insurance."

ACQPRPC4 DECLARATIONS OF ACQUIRED PROPERTY (B)

The following paragraph is added to the Adjustment of Premium Memorandum, at the end of paragraph (b):

"The Insured shall also make such declarations to the Insurer(s) under paragraph (b)(i) in respect of acquisitions of Property Insured, provided that no such declaration shall be

required upon acquisition when the value of the acquisition does not exceed the amount, stated in the Schedule against 'Declarations of Acquired Property (B)', of the Insured's total declaration of value under Section 1 as at the commencement of the Period of Insurance.

Notwithstanding the acceptance of a total variation in the Declared Values up to the percentage as stated in the Schedule, nothing here shall be construed as automatically noting or providing an increase in the Limit of Liability under the policy."

CONALLH4 CONDITIONS APPLICABLE TO ALL SECTIONS

UNDISYB4 MISDESCRIPTION, NON-DISCLOSURE AND ALTERATION (B)

Condition 1 of the policy is extended to include the following paragraph:

Notwithstanding the provisions of Conditions 1 and 2, the Insured shall not be prejudiced by any unintended and/or inadvertent error, omission or misdescription of the risk, interest or property insured under the policy, failure to advise the Insurer(s) of any change of risk, interest or property insured or failure to comply with any statutory requirement, provided that the Insured's officer responsible for insurance shall, upon becoming aware of any such unintended and/or inadvertent act, error or omission, inform the Insurer(s) as soon as reasonably practicable and that the Insured shall, upon request, pay any reasonable extra premium to the Insurer(s) from the date of the increase in risk.

ALTERVS4 ALTERATION (A)

Condition 2 is extended to include the following additional provision:

"Provided further that paragraphs (a) and (b) of this Condition 2 shall not apply if such alteration(s) are neither known to nor made by an officer of the Insured who is responsible for insurance."

ALTERXS4 ALTERATION (B)

The preamble to paragraphs (a) to (d) of Condition 2 is amended to read:

"Subject to Section 54 of the Insurance Contracts Act 1984, the Insurer(s) shall not be liable for loss, destruction of or damage to any property insured hereunder caused or contributed to by any alteration after the commencement of this Policy:"

SPRAYPC4 SPRINKLER INSTALLATIONS (C)

Condition 3 is amended with the words "or are required by law to be protected" being deleted, and the following paragraphs added:

"Where the sprinklered Premises are leased to a tenant and the lease provides that the tenant shall provide for maintenance of the installation, any failure so to do will not prejudice the rights of the Insured, provided that the Insured, upon becoming aware of the failure, shall either immediately provide for maintenance of the installation or immediately give notice in writing to the Insurer(s) and on demand pay such reasonable additional premium as the Insurer(s) may require.

Where the Insured or a tenant responsible to provide for maintenance of the installation enters into an agreement for maintenance with a contractor and such agreement provides in substance that the Insured or tenant shall indemnify and/or hold harmless and/or release from liability the contractor in respect of loss, destruction or damage which may occur as a result of any peril insured against by this policy, the insurance hereby shall not be prejudiced by the Insured or the said tenant agreeing to such provision.

The Insured's officer responsible for insurance shall, upon becoming aware of such agreement, inform the Insurer(s) as soon as reasonably practicable and a reasonable additional premium will be paid if required by the Insurer(s)."

CONTBXB4 OTHER INSURANCE

Condition 4 is deleted.

CANCNXS4 CANCELLATION BY THE INSURED

Paragraph (a) of Condition 5 is amended to read:

"This Policy may be cancelled at any time at the request of the Insured, in which case the Insurer(s) will be entitled to a pro rata proportion of the premium, subject to any adjustment in accordance with the Adjustment of Premium Memorandum, for the time this Policy has been in force."

CLMSBVS4 NOTIFICATION OF CLAIMS (B)

The first paragraph of Condition 6 is amended to read:

"On the discovery of any loss, destruction or damage, the Insured shall forthwith give notice thereof in writing to the Insurer(s) and shall as soon as reasonably practicable deliver to the Insurer(s) a claim in writing containing as particular an account as may be reasonably practicable of the items of property lost, destroyed or damaged and the amount of Damage having regard to their value at the time this occurred and of the amount of any claim under Section 2 of this Policy, together with details of any other insurances which may apply to the claim."

COND9VS4 INSURERS' RIGHTS

The words "without thereby incurring any liability" in Condition 9 are amended to read "without thereby admitting any liability".

BITE1XS4 ORDER OF PRIORITY - SUBROGATION RECOVERIES

Paragraph (b) of Condition 10 is amended to read:

"(b) Recoveries, whether effected by the Insurer or the Insured, shall be applied, net of the expense of such recovery, first to the satisfaction of the Insured's loss in excess of the claim paid under this Policy (disregarding the amount of any Deductible applicable), secondly to the Insurer as reimbursement of the amount(s) paid in settlement of the Insured's claim and thirdly to the Insured in satisfaction of any Deductible amount applicable. Recovery from reinsurance shall not be deemed a recovery for the purpose of this paragraph (b)."

BICOVXB4 TERMINATION OF COVER UNDER SECTION 2 (A)

Condition 13 of the policy is amended to read as follows:

"If during the currency of the policy the Insured:

(a) permanently discontinues or ceases to carry on the Business or if the Insured's proprietary interest in the Business ceases otherwise than by death; or

(b) (being a corporation) is placed in liquidation, provisional liquidation, under official management, under the control of a receiver and manager or if control over its assets is assumed by a receiver; or

(c) (being a natural person) becomes bankrupt, then the insurance under Section 2 shall cease unless its continuance is admitted in writing by the Insurer(s). Such termination of cover shall not apply if any of the events stated in clauses (a), (b) or (c) are caused by loss, insured by Section 2 of the policy, resulting from interruption of or interference with the Business in consequence of Damage to property used by the Insured at the Premises."

BREAKXB4 BREACH OF CONDITIONS

Any breach of a condition without the knowledge or consent of the Insurance Officer of the Insured shall not prejudice or invalidate this insurance provided that due diligence is exercised at all times by the Insured.

PAYGOVS4 PROGRESS PAYMENTS

The words "may be made" in Condition 15 are amended to read "shall be made".

ADDITIONAL ENDORSEMENTS

SECTION 1 – MATERIAL LOSS OR DAMAGE

THE INDEMNITY

DAMAGE DIMINUTION AND ACCIDENTAL DISCHARGE COSTS

The indemnity under paragraph (c) shall apply whether or not Damage occurs to Property Insured in circumstances giving rise to indemnity under Section 1 of this Policy.

EXPLORATORY COSTS

Paragraph (c) of The Indemnity extends to include exploratory costs necessarily and reasonably incurred by the Insured to prevent imminent damage or diminish damage to Property Insured by any peril insured against by this Policy.

GENERAL PROPERTY

The Indemnity to Section 1 is extended to include Damage to General Property whilst anywhere in Australia including whilst in transit unless otherwise specified in the Schedule.

The liability of the Insurer(s) shall not exceed :

- a) the amount of the sub-limit stated in the Schedule of the Policy against "General Property"; or
 - b) where items are individually specified with a sub-limit in the Schedule of the Policy, the amount of the sub-limit against such item that is Damaged.
- For the purpose of this clause "General Property" means mobile phones, portable computers and other portable equipment, unless an item has been individually specified in the Schedule.

The Insurer(s) shall not be liable under this clause for

- 1. Theft of property from an unlocked and unattended vehicle; or
 - 2. Theft of property in the open air; or
 - 3. Damage caused by water from or action of the sea, tidal wave, storm surge, high water, Flood; or
 - 4. Damage to gates, fences, retaining walls, textile awnings or blinds; or
 - 5. Damage 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 roof caused by wind, rainwater or hail.
- Property Exclusion 1 shall not apply to this clause.

SECTION 2 – CONSEQUENTIAL LOSS

THE INDEMNITY

Unspecified Suppliers' and/or Customers' Premises (Australia & New Zealand)

This clause is only operative when a sub-limit is shown in the Schedule

Loss resulting from interruption of or interference with the business in consequence of Damage to property at the premises, anywhere in Australia or New Zealand, of any direct producer or direct merchant shall be deemed to be loss resulting from Damage to property used by the Insured at the Premises.

The liability of the Insurer(s) under this endorsement, in respect of any one loss or series of losses arising out of any one event or occurrence at any one premises, shall be limited to amount stated in the Sub-Limit of Liability noted in the Schedule against "Unspecified Suppliers and/or Customers Premises (Australia & New Zealand)".

For the purposes of this endorsement, the term 'premises of a producer' refers to premises, other than those described in the Public Utilities Extension to Section 2 of the policy, at which any of the goods or services used directly by the Insured are produced, assembled or stored. The term 'premises of a merchant' refers to premises to which the Insured directly provides goods or services.

It is understood and agreed that the following peril exclusion will apply to this endorsement:

(a)

Earthquake, Flood & Terrorism in New Zealand.

EXCLUSIONS TO ALL SECTIONS

PROPERTY EXCLUSIONS

PROPERTY IN TRANSIT – AUSTRALIA

The policy extends to cover Property Insured whilst in transit between a port or ports or a place or places in Australia (including whilst being loaded on to or unloaded from a conveying vessel, vehicle or aircraft).

For the purpose of this endorsement, the following exclusions to all Sections are deemed inoperative:

-

Property Exclusions 1 and 13(b);

-

Perils Exclusions 3(a), 3(b), 4(a), 6(a) and 6(c).

This endorsement also covers general average and salvage charges (adjusted or determined according to the contract of affreightment and/or the governing law and practice) incurred to avoid or minimise loss insured hereunder. The Insurer(s) shall not be liable under this insurance for:

(i) loss, damage or expense caused by inherent vice or the nature of any property insured hereunder;

(ii) ordinary leakage, ordinary loss in weight or volume of any property insured hereunder;

(iii) loss, damage or expense proximately caused by delay, except expenses payable in connection with general average and salvage charges;

(iv) loss, damage or expense arising from insolvency or financial default of the owners, managers, charterers or operators of any vessel;

(v) loss, damage or expense arising from:

(a) unseaworthiness of a vessel or craft;

(b) unfitness of a vessel, craft, conveyance, container or liftvan for the safe carriage or property insured hereunder;

where the Insured or their servants are aware of the unseaworthiness or unfitness at the time the property insured is loaded therein.

CONDITIONS

Please note that this quotation has been supplied on the information provided. Any Error or Omission in the information provided may void the quote, or incur amended terms or policy conditions. We require you to confirm that all underwriting information provided is complete, correct and current at the time of binding this quote. If cover is bound, the Period of Insurance will be as shown on page 2 of this quotation unless otherwise specifically agreed by CGU Insurance. Further, unless specifically stated in this communication, the quotation will be subject to the CGU Insurance standard policy wording.

The terms and conditions of this quotation expire:

-30 days from the date of issue, or-

on the start date of the Period of Insurance whichever occurs first.

Important Notices and Information

It is essential you read these notices carefully. If there is any part that you do not understand or require further explanation, please contact us immediately.

IMPORTANT INFORMATION

Your Insurance Contract and Duty of Disclosure

Before you enter into an insurance contract, you have a duty of disclosure under the Insurance Contracts Act 1984. You have a duty to tell us anything that you know, or could reasonably be expected to know, may affect the insurer's decision to insure you and on what terms. You have this duty until the insurer agrees to insure you. You have the same duty before you renew, extend, vary or reinstate an insurance contract.

If we ask you questions that are relevant to the insurer's decision to insure you and on what terms, you must tell us anything that you know and that a reasonable person in the circumstances would include in answering the questions.

Also, we may give you a copy of anything you have previously told us and ask you to tell us if it has changed. If we do this, you must tell us about any change or tell us that there is no change. If you do not tell us about a change to something you have previously told us, you will be taken to have told us that there is no change. You do not need to tell us anything that reduces the risk insured, is common knowledge, the insurer knows or should know as an insurer or the insurer waives your duty to tell them about.

If you do not tell us something

If you do not tell us anything you are required to, the insurer may cancel your contract or reduce the amount it will pay you if you make a claim, or both. If your failure to tell us is fraudulent, the insurer may refuse to pay a claim and treat the contract as if it never existed.

Duty of Disclosure - Subsidiary and Associated Companies

Cover which is arranged for subsidiary and/or associated companies in addition to named insureds.

If you enter into a contract of insurance on behalf of any subsidiary and/or related company of the named insured, that subsidiary and/or related company has the same duty of disclosure as the named insured. We recommend that you ensure that each subsidiary and/or related company is made aware of the duty of disclosure and given an opportunity to make any necessary disclosures.

Essential Reading of Policy Wording

We will provide you with a full copy of your policy as soon as it is received from the insurer.

It is essential that you read this document without delay and advise us in writing of any aspects which are not clear or where the cover does not meet with your requirements.

Change of Risk or Circumstances

It is vital that you advise the insurer of any changes to your company's usual business. For example, insurers must be advised of any

- mergers or acquisitions,
- changes in occupation or location,
- new products or services, or
- new overseas activities.

Please contact us if you are in doubt as to whether to notify your insurer of a change in business operations. Your duty to disclose applies also when you amend, alter, vary or endorse a policy.

Hold Harmless Agreements, Contracting Out, Removal of Subrogation of Rights

You may prejudice your rights to a claim if, without prior agreement from your insurer, you make any agreement that could prevent the insurer from recovering the loss from a third party. These 'hold harmless' clauses are often found in leases, licences and contracts for maintenance, supply, construction and repair.

Insuring the Interests of Other Parties

If you require the interest of another party to be covered by the policy, you **MUST** request this. Most policies will attempt to exclude indemnity to other parties (e.g. mortgagees, lessors, principals etc.) unless their interest is expressly noted on the policy. This is not applicable to Professional Indemnity or Directors & Officers policies.

General Advice Warning

It is important that you understand and are happy with the policies we can arrange for you. Any recommendations we have made have been based on a consideration of the premium quoted and the scope of cover offered by an insurer. We can give you general information to help you decide but unless we have specified otherwise, we have not advised you on whether the terms are specifically appropriate for your individual objectives, financial situation or needs. We therefore recommend that you should carefully read the relevant Product Disclosure Statement and other information we provide before deciding.

Average/Under Insurance

Home buildings and contents, fire, industrial special risks and other policies often contain an average clause. This means that you should insure for full value which may be replacement, indemnity or market value depending on the type of insurance cover arranged. If you are under insured your claim may be reduced in proportion to the amount of under-insurance. A simple example, illustrating the basic principle, application and effect of the Average/Under Insurance Clause is as follows:

example

Full Value at commencement date	\$1,000,000
Sum Insured at policy commencement date	\$700,000

\$700K/\$1M - insurer pays 70% of any insured loss & insured retains balance of 30%

Amount of Claim, say	\$100,000
Amount payable by Insurers as a result of the application of Average/Co-Insurance (being 70% of \$100,000)	\$70,000

Several Liability

Where your policy cover is provided by more than one insurer it is important to note that each insurer is only responsible to the extent of their individual subscription and there is no obligation for that insurer to make up the shortfall of any other subscribing insurer in a claim or return premium payment.

New Claims / Unreported Losses

Any quotation we have obtained on your behalf is based on the understanding that there will be no deterioration in the claims experience between the date insurers quoted their terms and the inception date of the cover. If claims do occur during this period, insurers have the right to revise the terms quoted or even withdraw their quotation. Please let us know whether there are any losses which have occurred that have not been reported to us/insurers, whether you intend making a claim or not.

Confirmation of Transaction

You may contact us by telephone or in writing to confirm any transaction under your policy, such as renewals and endorsements. If necessary, we will obtain the information for you from the insurer.

Refund of Premiums

In the event of any refund premium being allowed for the cancellation or adjustment of this insurance policy, Austbrokers Comsure reserves the right to retain all brokerage, fees and charges.

Privacy Policy

We value your privacy and are committed to handling your personal information in accordance with the Australian Privacy Principles and the Privacy Act. Full details of how we collect, hold, use and disclose personal information is detailed in our Privacy Policy available online at <https://abcomsure.com.au/tools-information/privacy-policy/>. Contact your Risk Adviser if you require a copy or email info@abcomsure.com.au, Att: Privacy Officer.

Policy Specific Notices

Please refer to your Coverage Summary/Schedule for details of policy specific notices.

If you require a further explanation for any of the above information, please contact us immediately.

A low-angle, upward-looking photograph of a modern skyscraper with a glass facade. The building's structure is composed of a grid of dark frames and glass panels, creating a strong geometric pattern. The perspective makes the building appear to converge towards the top of the frame. The sky is a clear, pale blue. The overall image has a blue tint.

Proprietary Nature of Report

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