Motor Trade Insurance

Product Disclosure Statement and
Combined Policy Wording

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Your Policy

Welcome to **Your** Mainstay Underwriting Motor Trades combined **Policy** and thank **You** for choosing Mainstay Underwriting. The information **You** have given forms part of the contract of insurance with **Us**. **Your Policy**, **Schedule** and **Endorsements** are evidence of that contract. Please read them carefully and keep them in a safe place.

This wording is divided into a number of Sections that must be read together with the **Schedule** and **Endorsements**. The **Schedule** will show which Sections apply to **You**. If **Your Schedule** is incorrect return it to **Your** insurance broker for alteration.

Important

We recommend that **You** read this **Policy** with the **Schedule** to make sure that it meets with **Your** needs. If **You** have any questions, please contact **Us** or **Your** insurance broker.

Who is Mainstay Underwriting?

Mainstay Underwriting Pty Ltd ABN 47 123 301 762 (Australian Financial Services Licence No. 477690) ("Mainstay Underwriting"), is an underwriting agency providing a range of insurance products.

Mainstay Underwriting acts as an agent for and on behalf of Certain Underwriters at Lloyd's led by Beazley Furlonge Ltd, Syndicate 2623/0623. Mainstay Underwriting does not act on **Your** behalf.

You may contact Mainstay Underwriting via **Your** insurance intermediary or broker or as follows:

Post: Suite 29, 42 Bundall Road, Bundall, QLD, 4217
Phone: 07 5680 9945
Email: Risk@Mainstay.com.au

Welcome to the Lloyd's market

Lloyd's is the world's specialist insurance and reinsurance market, bringing together an outstanding concentration of underwriting expertise and talent. It is often the first to insure emerging, unusual and complex risks.

Around 80 syndicates are underwriting insurance at Lloyd's, covering all classes of business. Together they interact with thousands of brokers daily to create insurance solutions for businesses in over 200 countries and territories around the world.

Lloyd's enjoys strong financial security supported by excellent ratings. Visit www.lloyds.com for more information.

General Insurance Code of Practice

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

Lloyd's has adopted the Code on terms agreed with the Insurance Council of Australia. For further information on the Code please visit www.codeofpractice.com.au

The Code Governance Committee (CGC) is an independent body that monitors and enforces insurers' compliance with the Code. For more information on the Code Governance Committee (CGC) go to www.insurancecode.org.au

Complaints and Disputes

If **You** have any concerns or wish to make a complaint in relation to this **Policy**, **Our** services or **Your** insurance claim, please let **Us** know and **We** will attempt to resolve **Your** concerns in accordance with **Our** Internal Dispute Resolution procedure. Please contact Mainstay Underwriting in the first instance:

Mainstay Underwriting Dispute Resolution Manager
Write to **Us** at: Suite 29, 42 Bundall Road, Bundall, QLD, 4217
Telephone: 07 5680 9945
Email: Complaints@Mainstay.com.au

We will acknowledge receipt of **Your** complaint and do **Our** utmost to resolve the complaint to **Your** satisfaction.

A complaint decision will be provided to **You** within 30 calendar days. If **We** are unable to meet this timeframe **We** will inform **You** of the reason for the delay.

If **Your** complaint is not resolved to **Your** satisfaction, or **You** do not receive a complaint decision within 30 calendar days of the date on which **You** first made the complaint, **You** can refer **Your** complaint to the Australian Financial Complaints Authority (AFCA).
You can contact AFCA as follows:

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

AFCA services are provided to **You** free of charge. **Your** complaint must be referred to AFCA within 2 years of the complaint decision, unless AFCA considers special circumstances apply. If **Your** complaint is not eligible for consideration by AFCA, **You** may have access to other external dispute resolution options.
The Underwriters participating in this Insurance agree that:

1. If a dispute arises under this Insurance, this Insurance will be subject to Australian law and the Underwriters will submit to the jurisdiction of any competent Court in the Commonwealth of Australia;
2. service of any originating process upon the Lloyd's Underwriters may be affected upon:
   Lloyd's Underwriters' General Representative in Australia
   Post: PO Box R1745, Royal Exchange NSW 1225
   Email: serviceofsuitaus@lloyds.com
   who has authority to accept service on the Lloyd's Underwriters' behalf until the appointment of another agent for service which is notified to the insured;
3. if a suit is instituted against "Certain Underwriters at Lloyd's subscribing this policy", it is binding on all Lloyd's Underwriters participating in this Insurance as if they had each been individually named as a defendant.

In the event of a claim arising under this Insurance notice should be given as soon as reasonably practicable by referring to Section of the wording, "How to Make A Claim".

RDW5544a – 30/03/2026

How To Make A Claim

You must follow the procedures outlined if something happens that causes or is likely to result in a claim, or the incurring of an expense which may lead to **You** making a claim under this **Policy**. If **You** do not, **We** may refuse **Your** claim or reduce the amount **We** pay.

Claims Notification

If **You** wish to make a claim, **You** must:

1. Contact either
    a. **Your** insurance Broker
    b. Contact Mainstay Underwriting:
        Mainstay Underwriting Pty Ltd
        Suite 29, 42 Bundall Road
        Bundall, Queensland, 4217, Australia
        TEL: +61 (0)75680 9945
        Email: Claims@Mainstay.com.au
    c. Contact **Our** Third Party Claims Administrator for section 5 liability claims:
        Gallagher Bassett
        Level 15, 144 Edward Street,
        Brisbane, QLD 4000
        Phone: 07 3005 1800
        Email: liabilityclaims@gbtpa.com.au
        Mail: GPO Box 14, Brisbane QLD 4001
2. As soon as practicable send Us any court documents or other communication You receive about the claim.

Claims Procedures Applicable to All Sections

The following highlights the claims procedure that must be followed for all applicable sections.

What You must do:

When **Loss**, **Damage** or **Personal Injury** occurs (other than in connection with a **Vehicle**), **You** must:

1. take reasonable steps to prevent further **Loss, Damage** or **Personal Injury**.
2. As soon as practicable make a report to the police if:
    a. **You** know or suspect that **Your Property** has been stolen;
    b. Someone has broken into **Your Situation**; or
    c. Someone has caused malicious **Damage** to **Your Property**.
3. Not make any admission of liability, offer, promise or payment in connection with any **Event**;
4. Preserve and retain any **Damaged** property and make it available for inspection by **Us** or **Our** agent (including a **Loss** adjuster).
5. Not authorise the repair or replacement of anything without **Our** agreement.

When a **Vehicle** is **Damaged** or stolen, **You** must:

1. Contact **Your** insurance broker or Mainstay Underwriting as soon as possible on 07 5680 9945 **We** are available EST 9am-5pm, Monday to Friday. **Our** staff will advise **You** on where to take the **Vehicle**. **We** can help with any other arrangements necessary to get **You** back on the **Road** as quickly as possible.
2. Do everything reasonable to limit and prevent further **Loss** or **Damage**.
3. If someone has stolen, attempted to steal or maliciously **Damaged Your Vehicle**, call the police as soon as practicable. If **We** ask, **You** must provide to **Us** the name of the police officer and police station where **You** made the report.
4. If **Your Vehicle** is involved in an **Event**, **You** should obtain the full names, addresses and phone numbers of all drivers and passengers involved and any witnesses to the **Event**. **You** will also need to obtain the **Vehicle** registration numbers and insurance details of all **Vehicles** involved. If **Damage** is caused to **Buildings** and other property, please provide details of the address and owners names.
5. Give **Us** any information and other assistance **We** reasonably need to handle the claim. This includes obtaining relevant documents, such as completing and lodging an application form to obtain records from the police, fire and rescue, councils and other entities (when **We** cannot lodge one).
6. If **You** get demands, a notice of prosecution, details of an inquest or similar communications from other parties involved in the **Event**, **You** must tell **Us** as soon as practicable. If **You** delay in telling **Us**, **We** may not cover any legal or other costs that result from that delay.

7. Tell **Us** **Your** entitlement to Input Tax Credits (ITCs) for **Your** insurance **Premium** if **You** are registered or should be registered for goods and services tax (GST) purposes. If information **You** give **Us** is incorrect, **We** will not cover **You** for any resulting fines, penalties or tax charges.

What You must not do

1. Admit to anyone else involved if it was **Your** fault.
2. Negotiate or promise anyone a payment, authorise any repairs (except **Emergency Repairs** to a **Vehicle**) or dispose of any **Damaged** property useless **We** agreed first.
3. Accept any payment (including **Excess** payments) from anyone unless **We** agree first.
4. **You** must not incur any costs or expenses or authorise repairs (other than necessary temporary repairs) without **Our** agreement

What You must agree to if You claim

1. **You** must provide proof of ownership of any lost or **Damaged** property. Proof could include **Vehicle** logbook, receipts, valuations or warranties.
2. **You** must let **Us** inspect and, if necessary, move a **Vehicle** before repairs begin.
3. Give **Us** any information and help **We** need to handle the claim. This can include agreeing to be interviewed and providing relevant documents **We** ask for.
4. If **We** decide to defend **You**, settle any claim against **You**, represent **You** or try to recover **Money** from the person who caused the **Loss** or **Damage**, **You** must give **Us** all the assistance **We** need, including assistance after **Your** claim has been paid.
5. If **Your** tax or financial affairs are going to be investigated **You** must:
    a. Provide **Us** as soon as practicable with full written details of any proposed tax audit as soon as **You** are aware of it;
    b. Before retaining any professional other than **Your** accountant, obtain **Our** prior written approval of that person's engagement and of the fees and disbursements likely to be incurred;
    c. Keep **Us** fully informed of all material developments in relation to the claim and the tax audit;
    d. Take all reasonable steps to minimise cost and delay; and submit to **Us** all accounts for professional fees as soon as practicable after receiving them. Any accounts submitted to **Us** should be fully itemised so **We** can determine the nature and scope of the work done.

When You submit a claim:

1. **We** require that **You** give **Us** all information and assistance **We** may need:
    a. To settle or defend claims; or
    b. To recover from others any amount **We** have paid for a claim.
2. **You** must allow **Us** to:
    a. Make admissions, settle or defend claims on **Your** behalf; and
    b. Take legal action in **Your** name against another person to recover any payment **We** have made on a claim before **We** have paid **Your** claim, or whether or not **You** have been compensated or paid in full for **Your** actual **Loss**.
    c. **You** must allow **Us** or **Our** agent to enter **Your Situation** or make them available to **Us** for inspection.
    d. **You** must allow **Us** or **Our** agent to take possession of any **Damaged** property and deal with it in a reasonable manner. If **We** do not take possession of the **Damaged** property **You** cannot abandon it to **Us**.
    e. **We** will not unreasonably withhold **Progress Payments**. **We** will make **Progress Payments** on claims at intervals to be decided by **Us** following receipt of an interim report from **Our Loss** adjuster or representative.

When You have made a claim

1. **We** or **Our** agent may investigate any matter that is or may be the subject of the claim.
2. **You** are always required to provide **Us** with direct access to **Your** professional adviser.
3. If **We** ask, **You** are required to instruct **Your** professional adviser to assist **Us** in connection with any matter **We** seek to pursue with any government department, body or agency conducting the tax audit which is or may be the subject of a claim under this **Policy**.
4. Proceedings in the event of a claim

Fraud

1. If any claim is in any respect fraudulent or if any fraudulent means or devices are used by **You** or anyone acting on **Your** behalf to obtain any benefit under this **Policy**, or if any destruction or damage is occasioned by the wilful act or with **Your** involvement, **We** shall be entitled to refuse to pay such claim without prejudice to any other right(s) that **You** have under this **Policy**.
2. If **You** make a fraudulent claim under this **Policy**, **We**:
    a. will not be liable to pay the claim; and
    b. may recover from **You** any sums paid by **Us** in respect of the claim; and
    c. may treat this **Policy** as having been terminated with effect from the time of the fraudulent act by giving notice to **You**.
3. If **We** exercise **Our** rights under clause 1) c) above:
    a. **We** shall not be liable to **You** in respect of a relevant **Event** occurring after the time of the fraudulent act. A relevant **Event** is whatever gives rise to **Our** liability under the **Policy** (such as the occurrence of a **Loss**, the making of a claim, or the notification of a potential claim); and
    b. **We** need not return any of the premiums paid.

Waiver of Your recovery rights or hold harmless agreement

If another person is, or could have been, liable to compensate **You** for any **Loss**, damage or liability covered by the **Policy**, and **You** have agreed with that person either before or after the **Loss**, damage or liability occurred that **You** would not seek to recover any moneys from that person, **We** will not cover **You** under the **Policy** for any such **Loss**, damage or liability.

When We may refuse a claim

We may refuse to pay a claim, or **We** may reduce the amount **We** pay, if:

1. **You** do not do what **Your** duty of disclosure requires **You** to do;
2. **You**:
    a. Are not truthful;
    b. **You** have not given **Us** full and complete details;
    c. Have not told **Us** something when **You** should have, when applying for the insurance, or when making a claim;
3. **You** do not at all times take all reasonable care as **We** require **You** to do under this **Policy**;
4. **You** do any of the following without **Us** agreeing to it first:
    a. Make or accept any offer or payment or in any other way admit **You** are liable;
    b. Settle or attempt to settle any claim; or **Defend** any claim;
5. Cover is specifically excluded in the **Policy**;
6. **You** have not complied with any of the requirements of making a claim in the How To Make a Claim Section, starting on page 6; or
7. **You** are in breach of any other conditions of **Your Policy**, subject to applicable laws.
8. Remember, if **You** prevent **Our** right to recover from someone else or if **You** have agreed not to seek compensation from another person who is liable to compensate **You** for any **Loss**, damage or legal liability which is covered by this **Policy**, **We** will not cover **You** under this **Policy** for that **Loss**, damage or legal liability.

Vehicle Repairs

If **We** pay a claim under any Section of this **Policy** by agreeing to repair a **Vehicle**, **We** will arrange for it to be repaired by one of **Our** recommended repairers or **You** can choose **Your** own repairer.
We will:

1. Repair the **Vehicle** to its condition immediately before the **Loss** or **Damage** occurred;
2. Use parts suitable for the **Vehicle's** age and condition;

3. Use only manufacturer's approved parts if the **Vehicle** is under the manufacturer's warranty (but not an extended warranty);
4. Only pay the **Market Value** of **Damaged** parts **We** consider obsolete;
5. Only pay the cost to **You** plus 15% for those parts that **You** supply; and
6. Replace **Damaged** windscreens or window **Glass** with **Glass** that meets original standards and Australian Design Rules, but which might be different from the original **Glass**.

We are not responsible for costs that occur because of delays in delivery of parts.
We are not liable for and **You** are responsible for the cost of any air-conditioning refit, re-gas or modification required by law.
You may have to contribute to the cost of repairing tyres, engines, **Accessories**, paintwork, bodywork, radiators, batteries, interior trims or caravan annexes affected by wear and tear or rust and corrosion which is not covered by the **Policy**. How much **You** pay depends on how worn these items were when the **Damage** happened.

Introduction

Insurer's Liability Several Not Joint

The liability of an **Insurer** under this contract is several and not joint with other **Insurers** party to this contract. An **Insurer** is liable only for the proportion of liability it has underwritten. An **Insurer** is not jointly liable for the proportion of liability underwritten by any other **Insurer**. Nor is an **Insurer** otherwise responsible for any liability of any other **Insurer** that may underwrite this contract.

The proportion of liability under this contract underwritten by an **Insurer** (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp. This is subject always to the provision concerning "signing" below.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an **Insurer**. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other **Insurer** that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Proportion of Liability

Unless there is "signing" (see below), the proportion of liability under this contract underwritten by each **Insurer** (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp and is referred to as its "written line".

Where this contract permits, written lines, or certain written lines, may be adjusted ("signed"). In that case a **Schedule** is to be appended to this contract to show the definitive proportion of liability under this contract underwritten by each **Insurer** (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together). A definitive proportion (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of a Lloyd's syndicate taken together) is referred to as a "signed line". The signed lines shown in the **Schedule** will prevail over the written lines unless a proven error in calculation has occurred.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.
LMA3333 – 21 June 2007

This **Policy** has been formulated to meet the requirements of **Your Motor Trades Business**.
The following is a summary of the Sections in the Mainstay Motor Trades **Policy** from which **You** may choose to meet **Your** requirements.

Summary of Sections (for details please refer to relevant Section in this PDS)		
1	Property Damage	This Section covers **You** against **Loss** or **Damage** to **Your Buildings**, its **Contents**, and **Stock** & Customer Goods. The Section includes clauses that could reduce the amount of cover **You** have if **You** have not insured **Your Property** for its replacement value.
2	Business interruption	**This section** covers **You** for **Your Loss** resulting from interruption or interference with **Your Motor Trades Business** following **Damage** to **Insured Property**, provided such **Damage** is covered under Section 1 – Property Damage. It also provides **You** with additional benefits included in **Your** cover and Optional covers that **You** can add to **Your** cover. The Section includes clauses that could reduce the amount of cover **You** have if **You** have under declared **Your** values.
3	Crime & Contingencies	This Section provides cover for **Theft** of **Your Insured Property**, **Loss** of **Money**, **Employee** dishonesty, General Property away from **Situation** and cover for **Damage** to **Glass**.
4	Motor Combined Risks	Section 4.1 covers **Your Motor Trades Business Vehicles** for **Damage** caused by an **Accident**. There are additional benefits included in **Your** cover and optional benefits that **You** can elect to add. **You** can choose Section 4.2 to cover **Damage** to **Your Vehicles**, parts and **Accessories** in Transit on a conveyance anywhere in Australia. Section 4.3 Covers **You** for **Damage** to a third party's **Vehicle** or **Watercraft Damaged** as a result of an **Accident** caused by **You** driving **Your Vehicles**.
5	Liability Combined Risks	This Section indemnifies **You** against amounts which **You** become legally liable to pay as compensation for **Personal Injury** or **Property Damage** as a result of an **Occurrence** first happening in connection with **Your Motor Trades Business** during the **Period of Insurance**, within the **Territorial Limits**. **You** can elect cover for: • Faulty Workmanship; and/or • **Vehicle** Roadworthy Certification / Registration.
6	Equipment breakdown	This Section covers the breakdown of electrical and mechanical machinery including air, conditioning units, hoists, and compressors or electronic equipment such as computers, photocopiers and **Motor Trades Business** equipment belonging to **Your Motor Trades Business.**

Terms and definitions used in this table are defined in the next section

General Definitions

The following definitions apply to all Sections of this **Policy**, unless these words are defined differently in the relevant Section. Wherever words appear in bold in this **Policy** they will have the meanings shown in the General Definitions unless more specifically defined in a particular Section. Any word or expression to which a specific meaning has been attached in any part of this wording or the **Schedule**, shall bear such meaning wherever it may appear in this document:

Accessories
Alterations or additions that change the performance, security or value of a **Vehicle**, including the body, wheels, tyres, rims, engine, exhaust, extraction system, transmission, paintwork, suspension, instruments, sound system or interior.

Accident
An incident that is unexpected and unintended from **Your** standpoint, including an **Event** of that nature.

Accidental Damage
Damage, other than by fire, **Flood**, lightning, thunderbolt, **Explosion**, implosion, earthquake, subterranean fire, volcanic eruption, impact, **Aircraft** and/or other aerial devices and/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 other catastrophe, storm and/or tempest and/or rainwater and/or wind and/or hail, **Water** or other liquids or substances discharged, overflowing or leaking from apparatus, appliances, pipes or any other system at the **Situation(s)** or elsewhere.

Act of Terrorism or Terrorism
Means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

Aircraft
Any craft or object designed to transport persons or property through the air or space, including a drone and or unmanned aircraft but other than model aircraft.

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

Basis of Settlement
means the basis of settlement provisions under the heading in each Section styled "**Basis of Settlement**" which is applicable to that Section, and as each Section specifies.

Boiler or Pressure Plant
1. Those parts of the permanent structure of a boiler or pressure equipment, which contains steam gas or fluid and which are normally subject to vacuum or internal pressure (other than atmospheric pressure or static pressure of contents) including fittings and direct attachments, which are connected to the permanent structure without intervening valve or cock, including:
   a. The supporting structure of the boiler and pressure equipment (other than foundations, refractory and insulating material), such as furnace doors, access doors, external combustion chambers, smoke boxes and casings;
   b. The metal parts of pressure and **Water** gauges and their connections to the permanent structure, even if separated from the structure by valves or cocks; and
   c. Any pressure pipe system, associated with boilers and pressure equipment, with valves, fittings, traps and separators which contain steam condensate, gas or fluids under pressure (other than atmospheric pressure), including any feed **Water** piping between boiler and its feed pump or injector.
2. In respect of refrigeration and air-conditioning systems, the interconnecting heat exchangers, coils and pipe work containing transfer media.

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

Building(s)
The **Building(s)** at the **Situation**, including out **Buildings**, underground services, walls, gates and fences, signs, landlord's fixtures and fittings of every kind and description and additions forming part of the **Building** complex.
Buildings do not include:
1. Temporary **Building**s or shipping containers at the **Situation** unless they are fixed to foundations, wired for electrical services and the security is at least the same as the permanent **Buildings** or any padlocks in use are rated between 7 and 10 by AS4145.4 as amended;
2. Loose or compacted soil, earth, gravel pebbles, rocks or granular rubber, gravel, pebble driveway or car park other than soil or earth that must be restored to repair insured damage to **Your Building(s)**.

Collapse
Means the sudden distortion of any part of the permanent structure of plant by bending or crushing caused by force of steam or fluid pressure whether attended by rupture or not. Except in the case of a steam test at a pressure not exceeding the maximum pressure permitted by the inspecting authority, the term '**Collapse**' does not include failure under any test.

Contents
Means contents of every description not otherwise excluded but does not mean **Stock** in Trade or Customers' Goods.

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 **You** or any other party.

Consequential Loss
means any **Loss**, damage, cost, or expense, whether directly or indirectly caused by, resulting from, or arising out of:
1. Any form of business interruption, delay, lack of performance, or cessation of business operations;
2. Lack of essential utilities or services, such as power, light, heat, steam, refrigeration, or other necessary resources for the business;
3. Any indirect result or consequence of a breakdown, disruption, or failure of equipment or facilities;
4. **Loss** of use, revenue, profit, or income, whether actual or anticipated, including any reduction in business value;
5. **Loss** of contract, opportunity, reputation or goodwill, including damages for failure to meet contractual obligations or business expectations;
6. Depreciation in value of undamaged **Insured Property** due to its inability to be used in business operations;
7. Financial or economic **Losses** such as lost opportunities, market share, or business expansion potential.

This definition encompasses a broad range of indirect or financial impacts resulting from business disruptions or operational failures.

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**.

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**.

Cyber Incident
Means:
- 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
- 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**.

Damage or Damaged
Sudden and unforeseen physical **Loss**, damage or destruction, not otherwise excluded by this **Policy**.

Dangerous goods
1. Substances which are shown in the Australian Code for the Transport of Dangerous Goods by Road or Rail (or under any rules replacing that code);
2. Liquid fuels, liquefied or compressed gasses, toxic chemicals, acids, organic peroxides, or corrosives;
3. Infectious, explosive radioactive, or oxidising substances; or
4. Substances with a flashpoint of below twenty-two point seven degrees Celsius (22.70ºC).

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**.

Motor Trade Business
means the motor trade business described in the **Schedule** but does not cover activities broader than:
1. The service and repair of **Vehicles** or their parts and **Accessories**;
2. The sale, and/or **Storage** of **Vehicles**;
3. The inspection of **Vehicles,** reporting on the condition of **Vehicles,** the provision of advice on the road worthiness of **Vehicles,** and the recommendation of/for repairs and/or parts required to/for a **Vehicle**;
4. The issuance of documentation to facilitate the registration of **Vehicles** or their transfer of title;
5. The ownership and/or occupation of the **Situation**(s);
6. Other activities incidental to **Your** business, as declared to and accepted by **Us**.

Debris
1. The residue of **Your Damaged** property; or
2. Material deposited on **Your Situation** as a result of the operation of an **Insured** peril.

Excluding any material which can cause **Pollution and Contamination** and which is deposited beyond the boundaries of **Your Situation**.

Discovered or Discovery
When any of **Your** directors, officers, senior managers or trustees, not in collusion with an **Employee** committing a dishonest or fraudulent act, first becomes aware of facts which would cause a reasonable person in the circumstances to believe that **Loss** covered by this **Policy** has occurred, or is likely to occur, regardless of when the act or acts causing or contributing to such **Loss** occurred and even though the exact amount or details of **Loss** may not then be known.

Emergency Repairs
Minor repairs which are essential for **You** to be able to drive **Your Vehicle** safely from an **Accident** or **Event** causing **Damage,** not exceeding $5,000.

Employee

1. Any person while employed under a contract of service with, or apprenticeship to, **You**; and
2. Any person while hired or seconded from any other party into **Your** service including any agency furnished personnel whom **You** have the right at all times to govern, control and direct in the performance of his or her work in the course of **Your Motor Trades Business**, but does not include:
   a. Any broker, factor, commission agent, consignee, contractor or other agent; and
   b. Any of **Your** partner(s) or director(s) other than executives and directors,

unless such person is also **Your** employee or has been seconded into **Your** employment by **You**.

Event or Events

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

Excess

Any **Excess** or deductible set out in the **Schedule**, this **Policy,** or any Endorsement that applies to a claim under this **Policy** must be paid by **You**. The **Excess** or deductible is either the amount specified in the **Schedule** or otherwise stated in **Your Policy** for each applicable Section. **You** must contribute:

1. as the first payment of each and every claim;
2. for the period specified in the **Schedule**; or
3. as otherwise stated in **Your Policy**.

Unless specified otherwise, the **Excess** is not included in the **Limit of Liability**. The **Excess** must be paid in addition to the **Limit of Liability**. If the damage exceeds the **Limit of Liability**, the **Insurer** will pay up to the **Limit of Liability**, and **You** will be required to pay the **Excess** separately.

You must pay any **Excess** that applies to a claim under any Section in **Your Policy** for any **Event**. The **Excess(es)** that applies to that Section will be set out in **Your Schedule,** and if not specified, the default **Excess** is $1,000 for that Section. The **Excess** must be paid to **Us** or as **We** direct within the time **We** specify. Alternatively, **We** may deduct the **Excess** from the amount **We** pay for any Claim. For clarity, the **Excess(es)** apply to each Section of the **Policy** individually and must be paid in accordance with the terms of each relevant Section.

For the purpose of the application of any **Excess**, **Damage** resulting from:

1. earthquake occurring during each period of 72 consecutive hours, or
2. atmospheric disturbance (for example, and including, hailstorms) occurring during each period of 24 consecutive hours

is considered as one **Event,** whether the earthquake or atmospheric disturbance is continuous or sporadic in its sweep or scope, and the **Damage** was due to the same seismological disturbance or atmospheric conditions. Each **Event** is deemed to have commenced on the first happening of any such **Damage**.

If a claim is made in relation to an **Event** where more than one **Excess** applies within one **Section**, **You** only have to pay the highest applicable **Excess(es)** under that **Section**, except where that **Section** specifies that the **Excesses** are cumulative (e.g., **Excess** – Per **Vehicle**, Aggregate **Excess**).

Where an **Excess** is based on a value, this value includes the GST.

If the damage exceeds the applicable **Limit of Liability**, Limit of Indemnity, Maximum, or Sublimit under a Section, the **Excess** will be deducted from the applicable **Limit of Liability**, Limit of Indemnity, Maximum, or Sublimit, rather than from the total damage amount. In no event will the total payment for the claim exceed the applicable **Limit of Liability**, Limit of Indemnity, Maximum, or Sublimit, after deducting the **Excess**.

Example:

You operate a **Motor Trade Business**, and a fire causes damage to **Your Situation**. The cost to repair the damage is $150,000, and **Your Policy** has:

1. A $10,000 **Excess** applicable to property damage claims;
2. A **Limit of Liability** of $100,000 for property damage.

How the **Excess** Applies:

1. Since the total damage ($150,000) exceeds the **Limit of Liability** ($100,000), the **Excess** is deducted from the **Limit of Liability**, not from the total damage.
2. The **Insurer** pays $90,000 ($100,000 **Limit of Liability** minus the $10,000 **Excess**).
3. **You** must pay $60,000 (the $10,000 **Excess** + the remaining $50,000 above the **Limit of Liability**).

Section 4 – Motor Combined Risk Excesses

1. Basic **Excess** or **Excess**:
   a. is the first amount **You** must contribute towards each and every claim under this Section before any benefit is payable. The Basic **Excess** applies before any other Additional **Excess**es
2. **Vehicles** with a Value above $100,000:
   a. This **Excess** applies if the **Stock Card** Value or **Market Value**, whichever has been used in the **Basis of Settlement** falls within the range as specified on the **Schedule**, at the time of **Loss** or damage. This **Excess** is the first amount **You** must contribute towards each and every claim under this Section before any benefit is payable. It applies in place of the Basic **Excess** and must be paid before any other Additional **Excesses**. For clarity, the value of the **Vehicle** is inclusive of GST
3. Aggregate **Excess** (any one **Event**):
   a. The maximum total **Excess** payable by **You** for all claims arising from a single **Event**, involving more than three **Vehicles**, is limited to three times the highest **Excess** applicable to any one **Vehicle** damaged in that **Event**, including any additional **Excesses**. Once this limit is reached, no further **Excess** applies to additional claims arising from the same **Event** under Section 4 – Motor Combined Risks, regardless of the number of **Vehicles** involved.

Additional **Excess(s)** – Per **Vehicle** is an extra amount that applies to each **Vehicle**. More than one Additional **Excess** may apply to each **Vehicle** if multiple conditions are met. This **Excess** is added in addition to the **Excess(s)** – Per **Vehicle**.

1. Under 22 years of age
   - This applies if the driver is under the age of 22, regardless of their duration of driving in Australia (domestic/citizens).

2. 22 – 25 years of age
   - This is only applicable if the driver is between the ages of 22-25 despite the period of time driving in Australia (domestic/citizens)
3. Unaccompanied test driving
   - Further to the clause requirements, an additional **Excess** of $5,000 applies in addition to all other applicable **Excesses**
4. Inexperienced drivers of greater than 5T GMV, where the **Vehicle** value is less than $100,000
   - This applies to a driver of any age where the driver has less than 2 years experience – the age **Excess** is not charged in addition to this **Excess** (if applicable).
5. Inexperienced drivers of greater than 5T GMV, where **Vehicle** value is greater than $100,000
   - This applies to a driver of any age where the driver has less than 2 years experience – the age **Excess** is not charged in addition to this **Excess**
6. Drivers less than 2 years driving experience in Australia
   - This is only applicable in the event an international driver has less than 2 years driving history.

If the damage to the **Vehicle** exceeds the **Limit of Liability**, Maximum, or Sublimit under a Section, the **Excess** will be deducted from the applicable **Limit of Liability**, Maximum, or Sublimit, rather than from the total damage amount. Alternatively, **We** may deduct the **Excess** from the amount paid for any claim, up to the **Limit of Liability**, or applicable Maximum or sublimit.

Explosion
Means the sudden and violent rending of the permanent structure of the plant by force of internal steam or fluid pressure or bodily displacement of any part of such structure together with forcible ejection of its contents. Except in the case of a steam test at a pressure not exceeding the maximum pressure permitted by the inspecting authority, the term '**Explosion**' does not include failure under any test.

First Loss Condition
refers to a limited amount of coverage specified in **Your Schedule**, which is the maximum liability the **Insurer** will pay for any one **Loss** or occurrence under Section 1 – Property Damage, Section 2- Business Interruption, and Section 4 – Motor Combined Risks (4.1 only). It does not require the **Policy**holder to insure the full value of the **Insured** Property, but the **Insurer's** liability is capped at the **First Loss Limit** for any individual claim, regardless of the total value or actual value of the **Insured Property**. The **underinsurance clause** still applies in the event of an understated **Sum Insured** or **Declared Value**.

Flood
The covering of normally dry land by **Water** that has escaped or been released from the normal confines of any of the following whether or not each of the following has been altered or modified:
1. a lake;
2. a river;
3. a creek;
4. another natural watercourse;
5. a reservoir;
6. a canal; or
7. a dam.

Glass
Glass (including plastic material used as **Glass**) which belongs to **You**, or for which **You** are legally liable for, that is:
1. **Structural** or **Non-Structural** External **Glass**;
2. **Structural** or **Non-Structural** Internal **Glass** and vitreous china or ceramic; and
3. Toilet pans, cisterns and wash basins;

Glass does not include:
1. Signs;
2. Expendable items;
3. **Glass** forming part of **Vehicles** or **Stock** or merchandise in trade;
4. Ornaments, antiques or portable glass objects;
5. Chipped or cracked or imperfect glass, or **Glass** in poor condition;
6. **Glass** in electronic or printing equipment including mobile phones, tablets and computers; or
7. **Glass** in any glass house, conservatory, radio, television screen, computer screen, vase, picture, crystal, crockery, china, or glass normally carried by hand.

Glass – Non-Structural
means **Glass** that is not integral to the **Building's** stability or support. This includes, but is not limited to, windows, internal partitions, **Glass** doors, decorative panels, mirrors, and skylights that do not contribute to the **Building's** structural framework. Non-structural **Glass** is typically used for aesthetic, functional, or safety purposes but does not serve as a load-bearing element within the **Building**.

Glass – Structural
means **Glass** that is integral to the **Building's** stability and support. This includes, but is not limited to, load-bearing **Glass** walls, facades, or curtain walls that form part of the **Building's** framework, **Glass** floors, staircases, roof glazing, or skylights where they contribute to structural integrity, and external or load-bearing doors that are part of, or integrated into, the **Building's** walls or façade.

Gross Profit
Means the amount by which the sum of **Money** paid or payable to **You** for goods sold, services rendered or rent received, plus the amount of **Stock** and work in progress at the end of **Your** financial year exceed the sum of the opening **Stock** and the work in progress at the beginning of the financial year and the **Uninsured Working Expenses**.
The amounts of the opening and closing stocks and work in progress will be arrived at in accordance with **Your** normal accountancy methods, due provision being made for depreciation.
The words and expressions in this definition have the meanings usually attached to them in **Your** books and accounts unless otherwise defined in this **Policy**.

Hazardous Goods, Substance or Mould
1. Any pollutant, contaminant or other substance declared by a government authority to be hazardous to health or the environment; or

2. Any mould, yeast, fungus or mildew including any spores or toxins created or produced by or emanating from such mould, yeast, fungus or mildew, whether or not allergic, pathogenic or toxigenic.

Holdback
The **Vehicle** cost retained by any other dealers or suppliers who provide replacement **Vehicles** as is normal procedure in the motor industry where replacements cannot be sourced from the manufacturer to satisfy customer orders.
The percentage of the wholesale cost paid by the manufacturer or distributor to **You** following the retail sale of a **Vehicle.**

Identification
Forms of acceptable identification include: Passport, Australian driver's license, Australian document of identity, Australian certificate of identity, Australian state and territory issued photo cards, Medicare card or Federal concession cards. All identification must be valid and in date.

Insured Property or Your Property
Property insured under this **Policy***,* as detailed in each **Section** and/or as shown in the **Schedule.**

Land Value
Means the sum certified by the valuer general as being the value of the land so described in the **Policy** after due allowance has been made for variations in or special circumstances affecting such value either before or after the **Damage** or which would have affected the value had the **Damage** not occurred so that the figures as adjusted represent as near as may be reasonably practicable the true land value pertaining both before and after the **Damage**.

Limit of Liability
The amount specified in the **Schedule** as a limit or a sub-limit or other maximum amount payable by **Us** under this **Policy** for claims, circumstances, benefits, , entitlements, **Insured Property**, cover and aggregate liability, as specified in the **Schedule** .

Loss or Losses
Sudden and unforeseen physical **Loss**.

Manufacturing
The activity of manufacturing refers to the process of producing goods or products, including but not limited to the creation, assembly, or transformation of raw materials, components, or parts into finished products for sale or distribution. This includes any process that involves the design, fabrication, assembly, modification, or production of new or improved products for commercial use, resale, or retail. Manufacturing also encompasses activities related to the sourcing and procurement of raw materials, the use of machinery, equipment, and technology in the production process, and the packaging or labelling of products. This may apply to goods for immediate sale, goods produced for storage, goods intended for further processing or distribution, and goods that are sold or marketed directly to consumers or businesses.

Market Value
The amount **You** would have to pay to buy a **Vehicle** similar to **Your Vehicle** immediately before the **Loss** or damage, taking into account its make, model, age, kilometres travelled and condition. To determine the **Market Value**, **We** may refer to an accepted motor **Vehicle** valuation guide used by the motor industry. The amount **We** determine represents the cost to replace the **Insured Property** with a similar item of the same make, model, age and condition as the **Insured Property** immediately prior to the **Loss** or damage.

Money
Cash, bank notes, currency notes, negotiable cheques, negotiable **Securities**, travellers' cheques, debit and credit card vouchers, discount house vouchers, money orders, postal orders, unused postage stamps, revenue stamps, lottery tickets, stored value cards, public transport boarding tickets, authorised gift vouchers, valuable documents (but limited to certificates of **Stock**, bonds, coupons and all other types of **Securities**) and the contents of franking machines.

Named Insured
That person, company or legal entity specified as the Named **Insured** in the **Schedule** who carries on or conducts the **Motor Trades Business**.

North America
Includes the United States of America and Canada and in each case its territories and protectorates.

Open Air
Includes area under hail nets or any structure that is not fully enclosed.

Period of Insurance
The Period of Insurance set out in the **Schedule**, ending at 4.00 pm on the last day of this period.

Personal Injury
Means: Death, bodily injury, sickness, disease, disability, shock, fright, mental anguish and mental injury and includes mental harm, stress, emotional upset, embarrassment or **Loss** of dignity

Personal Property
Property of a personal character that is portable such as clothing and personal belongings normally worn or carried in person by **Your** employees, partners and directors however this does not include **Vehicles** or **Money**.

Policy
Means:
1. this document,
2. the **Schedule**;
3. any endorsement to this **Policy** whether issued at the inception of the **Policy** or during the **Period of Insurance**; and
4. the information **You** have provided in the **Proposal**.

Pollutant or Pollutants
Any solids, liquids, gaseous or thermal irritants, contaminants, smoke, vapour, soot, fumes, odour or any other air emission, acids, alkalis, chemicals, waste materials, waste water, oil or oil products, infectious biological or medical waste, **Asbestos**, electric or magnetic or electromagnetic fields, noise and any ionising radiations or contamination by radioactivity and the residue from the productions of drugs or illicit substances.

Pollution and Contamination
The actual, alleged or threatened discharge, release, escape, seepage, migration or disposal of **Pollutants** into or on real or **Personal property**, **Water** or the atmosphere; or any direction or request to test for, monitor, clean up, treat, detoxify or neutralise **Pollutants**. Including contamination as a result of the production of drugs or illicit substances.

Premium
The amount stated in the **Schedule**.

Proposal
means **Your** written **Proposal** made to **Us** containing information and statements which, together with any other information or documents provided, are the basis of this **Policy** and are considered incorporated in it.

Road
Any surveyed or unsurveyed land dedicated to public use, according to law, as a road (including a footpath or median strip). It also includes a toll road or a bridge which is open to the public and used as a road.

Salvage Value
The estimated amount that would be received if **Damaged** property were to be sold.

Schedule
The **Schedule** issued by **Us** for this **Policy**. In the event of any conflict or inconsistency between the terms of this **Policy** and the details outlined in **Your Schedule**, the terms and conditions set forth in **Your Schedule** shall prevail and supersede the wording of this **Policy**.

Securities
Shares, stocks, bearer instruments, derivatives, bonds, warrants, debentures, units in shares, units in trusts (including any evidence of indebtedness or other equity or debt security), rights under a depositary receipt or other securities (or interests therein) of whatever nature.

Selling Price
The inward cost of the **Vehicle** plus the actual average margin from **Gross Profit**, not inclusive of **Holdback**.

Situation
The places listed in **Your Schedule**, whether owned, leased, used, or occupied by **You** for the purposes of the **Motor Trades Business**, including **Buildings**, yards, and land within the legal boundaries of the **Situation**.

Stock & Customers' Goods (excluding vehicles)
Means goods and/or merchandise that **You** own or that are held by **You** in trust or on commission.

Stock Card
Your accounting record either on paper or in electronic form, within which **You** record the complete details of **Vehicles**, including **Your** actual purchase cost and actual cost of improvements to the **Vehicles**. is **Your** accounting record, within which **You** record the complete details of **Vehicles**, including **Your** actual purchase cost and actual cost of improvements to the **Vehicle**.

Sub-Contractor
A "sub-contractor" refers to any person, company, or entity engaged by **You** under a contractual arrangement to perform specific tasks or services related to **Your** business operations. This includes Hired Labourers, Contractors, or Sub-Contractors. The sub-contractor operates independently and is not an employee of yours.

Theft
Means **Theft** or attempted **Theft** of **Insured Property**, Involving:
1. **Theft** following forcible and violent entry to the **Situation** or any attempt at that;
2. **Theft** or any attempt at **Theft** by a person feloniously concealed on the **Situation**;
3. **Theft** following assault or violence or threat of immediate assault or violence to **You**, **Your Employees** or customers, occurring on the **Situation**;
4. **Theft** following armed hold up occurring at the **Situation**; or
5. **Theft** or attempted **Theft** of **Stock** of spare parts or **Accessories** whilst in, on the **Situation**.

Total Loss
Where property is **Damaged** beyond economical repair. Where **Your Insured Property** is lost or stolen and not recovered within a reasonable period of time or where it is **Damaged** and the cost of repairing it is uneconomical or greater than the **Limit of Liability** for the property, **Market Value** or **Stock Card** value, whichever is the lesser.

Uninsured Working Expenses
All purchases (less any discounts received), discounts allowed, bad debts, carriage, packing and freight, and other uninsured working expense specified in the **Schedule**.

We, Us, Our, Insurer
Certain underwriters at Lloyd's and Mainstay Underwriting as agents for Certain underwriters at Lloyd's.

You, Your, Yourself, Insured
Any person, company or legal entity shown on the **Schedule** as the **Insured** and any company, firm, partnership or trust in which the **Named Insured** hold a 50% or more ownership, interest or shareholding.

Vehicle Definitions

The following definitions apply to all Sections of this **Policy**, unless these words are defined differently in the relevant Section. Wherever words appear in bold in this **Policy** they will have the meanings shown in the General Definitions unless more specifically defined in a particular Section. Any word or expression to which a specific meaning has been attached in any part of this wording or the **Schedule**, shall bear such meaning wherever it may appear in this document:

Consignment
any **Vehicle** entrusted to **You** by a third party for the purpose of sale, where ownership of the **Vehicle** remains with the third party until the **Vehicle** is sold.

Customer Vehicle
If "**Customer Vehicles**" is shown on **Your Schedule** as being insured, it means any **Vehicle** owned by **Your** customer and left in **Your** care, custody or control for servicing, repair, **Road** testing, maintenance, alteration, inspection, valuation, testing, or delivery, including a **Vehicle** fitted with a trade plate, or any other purpose in the course of the Motor Trades Business excluding **Your Property. Customer Vehicle** does not include:

- **Vehicles** under **Consignment** Contracts.
- **Vehicles** for Sale, or **Storage**; or
- **Vehicles** stored without a service or repair obligation.

Heavy Vehicle
If "**Heavy Vehicles**" is shown on **Your Schedule** as being insured, it means any **Vehicle** that exceeds a gross **Vehicle** mass (GVM) of **8 tonnes**. This includes, but is not limited to, trucks, prime movers, buses, large vans, and cargo vans with a GVM of 8 tonnes or more.

Loan Vehicles
Vehicles that **You** provide temporarily to customers, with or without consideration, while their own **Vehicle** is left with **You** for service or repair. **Loan Vehicle**s are considered **Your Vehicle** for the purpose of this **Policy**, provided they are loaned in accordance with the conditions outlined in the **Loan Vehicle** clause.
For clarity, this **Policy** does not provide coverage for the hiring, leasing, or renting of **Vehicles** under any circumstances.

New Vehicle / New Electric Vehicle
A **Vehicle** that **You** obtained directly from the manufacturer, wholesaler or another dealer, which was not previously registered. This includes **Vehicles** declared in the **Schedule**. A **Vehicle** is not considered new if it has travelled more than 5,000 km prior to the time and place of **Loss** or damage.

Specified Vehicle
If "**Specified Vehicles**" are shown on **Your Schedule** as being insured, it means any **Vehicle** that is owned by **You**, the **Insured**, that **We** agree to insure and that is specifically listed in **Your Schedule** as being insured. The **Vehicle** must be identified by its make, model, registration number, and other relevant details as specified in the **Schedule**.

Stock Vehicle(s), Storage of Vehicle(s)
If "**Vehicles** for Sale, and/or **Storage**" or "**Stock Vehicle(s)**, **Storage of Vehicle(s)**" is shown on **Your Schedule** as being insured, it means any **Vehicle** owned by **You**, or a **Vehicle** held under a consignment contract, or a **Vehicle** in **Your** care, custody, or control for the purposes of sale, storage, or delivery, including any **Vehicle** fitted with a trade plate.

Storage
The act of keeping a **Vehicle** owned by **You**, or a **Vehicle** left in **Your** care, custody, or control, in a designated area, either indoors or outdoors, for a period of time, where it is not actively in use but is secured and maintained with the intent of preserving the **Vehicle** for future use, sale, or retrieval. **Storage** does not include **Vehicles** awaiting service or repair.

Used Vehicle / Used Electric Vehicle
A **Vehicle** that has been previously registered or was not obtained directly from the manufacturer. This includes **Vehicles** declared in the **Schedule**. A **Vehicle** is also considered used if it has travelled more than 5,000 km prior to the time and place of **Loss** or damage.

Vehicle or Vehicles
Means:

- Motor **Vehicles**, trailers, caravans, boats, motorcycles, motorised homes, motor propelled machinery of every kind and description whether registered or unregistered belonging to or being purchased, financed or otherwise acquired by **You**;
- A **Vehicle** left in **Your** custody for sale, storage, or repair, or garaging, servicing or any other purpose in the course of the Motor Trades Business;
- The **Vehicle(s)** described on **Your Schedule**;
- **Vehicle Accessories** or modifications if **We** have agreed to insure them as part of **Your Vehicle** and they are shown on **Your Schedule**.

Watercraft
Any vessel, craft or thing made or intended to float on or in or travel on or through water, other than model boats.

Important Terms of Your Policy

The following terms apply to all Sections of this **Policy**, unless more specifically stated in the relevant Section in which case the term in that Section shall take precedence:

Basis on which We insure You:
We agree to insure **You**:

1. Based on the information provided in **Your Proposal** and subject to payment of the required **Premium** by the required date,
2. In accordance with the terms and conditions of **Your Policy**.

You should carefully read **Your Policy** as one document and keep it in a safe place. If **You** require further information about **Your Policy** or wish to confirm a transaction, **You** should speak to **Your** broker.

Cover under more than one Section
We will not indemnify **You** or pay for any claim under more than one Section of the **Policy** for the same **Loss**, **Damage** or liability.
Where more than one Section of **Your Policy** covers or may have covered the claim had **You** selected that Section, the Section that is more specifically applies to cover the relevant claim applies and **We** will not pay anything under any other Section(s).

Cancellation Rights
If **We or You** cancel **Your Policy**, **We** will refund the proportion of **Your Premium** for the unexpired period of insurance (including GST if applicable) less any non-refundable government charges, provided the refund is more than $10 (GST inclusive).
We can cancel **Your Policy** when the law allows **Us** to.
If **We** cancel **Your Policy** due to fraud, **We** will not refund any money to **You**.
If **We** pay out a claim for the full insured amount on **Your Building**, whether by reinstatement or replacement or by a payment to **You**, that cover ends. Any **Policy** Section, Extra Cover, Additional Benefit or Optional Insurance for that cover also ends. If **We** pay out a claim for a total **Loss** on **Your Vehicle** by a payment to **You**, that cover ends. Any **Policy** Section, Extra Cover, Additional Benefit or Optional Insurance for that cover also ends. When **Your Policy** ends as a result of **Us** paying out a claim for the full insured amount on **Your Building** or **We** pay out a total **Loss** of **Your Vehicle**, **We** will not refund any **Premium** for an unexpired period of insurance.

Duty of Disclosure Notice (Australia)
Your duty of disclosure
Before **You** enter into an insurance contract, **You** have a duty to tell **Us** anything that **You** know, or could reasonably be expected to know, may affect **Our** decision to insure **You** and on what terms.
You have this duty until **We** agree to insure **You**.
You have the same duty before **You** renew, extend, vary or reinstate an insurance contract.
You do not need to tell **Us** anything that:

- reduces the risk **We** insure **You** for; or
- is common knowledge; or
- **We** know or should know as an **Insurer**; or
- **We** waive **Your** duty to tell **Us** about.

If **You** do not tell **Us** something
If **You** do not tell **Us** anything **You** are required to, **We** may cancel **Your** contract or reduce the amount **We** will pay **You** if **You** make a claim, or both.
If **Your** failure to tell **Us** is fraudulent, **We** may refuse to pay a claim and treat the contract as if it never existed.

What happens if the duty of disclosure is not complied with?
If the duty of disclosure is not complied with, **We** may cancel the **Policy** and/or reduce the amount **We** pay in the event of a claim. If fraud is involved, **We** may treat the **Policy** as if it never existed and any claims may be declined.

Renewal procedure
Before **Your Policy** expires, **We** will advise **You** whether **We** intend to offer renewal and if so on what terms. This document also applies for any offer of renewal **We** may make unless **We** tell **You** otherwise. It is important that **You** check the terms of **Our** renewal offer before renewing to satisfy **Yourself** that the details and content are correct. In particular, check the limits and **Excess(es)** applicable to ensure the levels of cover are correct for **Your** requirements. Please note that **You** need to comply with **Your** Duty of Disclosure before each renewal.

Interests of other parties
The important term "Interest of other parties" applies to Sections 1, 2, 3, 4 & 6 of this **Policy** and not section 5.
The pecuniary or economic interest of only those lessors, financiers, trustees, mortgagees, owners and all other parties specifically noted in **Your** records (other than **Dealer Floor Plan Agreement** financiers) **We** will automatically note that insurable interest without any notification or specification by **You** and where **Insured Property** the subject of that insurable interest is **Damaged**, pay claims for the **Insured Property** in accordance with the priority agreed between **You** and the party with the insurable interest.. **You** must tell **Us** in writing the nature and extent of such interest to be disclosed in the event of **Damage**.
Where the insurance covers the interest of more than one party, any act or neglect of an individual party will not prejudice the rights of the remaining parties, provided that the remaining parties must, as soon as becoming aware of any act or neglect whereby the risk of **Damage** has increased, give notice in writing to **Us** and on demand pay such reasonable additional **Premium** as **We** may require.

The Goods and Services Tax (GST) and Your insurance (GST registered policyholders only)
GST has an impact on the way in which claim payments are calculated under **Your Policy**. **We** will calculate the amount of any payment **We** make having regard to **Your** GST status.
If, for example, **We** make a cash payment for the purchase of goods or services for which **You** are entitled to claim an input tax credit, **We** will only pay an amount equal to **Your** net cost – i.e. **Your** cost after claiming input tax credits. The wording contained in this **Policy** sets this out in more detail.
In respect of **Your Policy,** where **You** are registered for GST purposes **You** should calculate **Your** insured

amounts or advise **Us** of **Your** asset values or turnover having regard to **Your** entitlement to input tax credits. **You** should, therefore, consider the net amount (after all input tax credits have been taken into account) which is to be insured and calculate and advise to **Us** the insured amounts, asset values or turnover on a GST exclusive basis.
If **You** are either wholly or partially input taxed, **You** are in a special category under the GST legislation, and will need to advise **Us** of **Your** sums insured, asset values or turnover on a GST inclusive basis.
This outline of the effect that the GST has on **Your Policy** is for **Your** general information only. **You** should not rely on this information without first seeking expert advice on the application of the GST to **Your** particular circumstances.

Privacy statement
Privacy legislation regulates the way private sector organisations can collect, handle, store and disclose personal information and Mainstay Underwriting and **Insurers** are bound by the Privacy Act 1988 (Cth.) when doing so.
We have developed a privacy **Policy** that explains the sort of personal information **We** hold about **You** and what **We** do with it.
We collect, handle, store and disclose **Your** personal and sensitive information in order to:
1. Consider **Your** application for insurance;
2. Determine the **Premium**, terms and conditions of **Your Policy** (if the application is accepted); and
3. review, assess and handle any claims.

We may disclose personal information to third parties who **We** believe are necessary to assist **Us** and them in **Us p**roviding the relevant services and products. This includes but is not limited to:
1. Relevant employees involved in providing services
2. Other companies, business partners and/or service providers that may be located in Australia or overseas.
3. **Your** insurance broker that collects this from **You**;
4. Those involved in the claims handling process, including but not limited to **Loss** adjusters, legal firms investigators, agents, accountants, engineers or other professional experts;
5. Insurance companies, Lloyd's Syndicates, reinsurance brokers and reinsurers (which may be located outside of Australia) with whom **We** transact business;
6. Insurance reference bureau, credit reference bureau or banks;
7. Government, law enforcement, dispute resolution, statutory or regulatory bodies, or as required by law.

We limit the use and disclosure of any personal information provided by **Us** to any third party to the specific purpose for which it was supplied.
Where these entities are overseas, **We** regularly review the security of **Our** systems used for sending personal information.
Any information disclosed may only be used for the purposes of collection detailed above and system administration.
By completing and returning a **Proposal** and/or providing **Us** with any additional information in connection with **Your** application, **You** agree to **Us** using and disclosing **Your** personal information as set out above. This consent to the use and disclosure of personal information remains valid unless **You** alter or revoke it by giving **Us** written notice.
Personal information may also include sensitive information such as, amongst other things, information about an individual's health, membership of professional associations and criminal records.
You have the right to seek access to **Your** personal information and to correct it at any time and **We** aim to ensure that **Your** personal information is accurate, up to date and complete.
Please contact Mainstay Underwriting on 07 5680 9945 EST 9am-5pm, Monday to Friday if **You** would like to seek access to, or revise, **Your** personal information or feel that the information **We** currently have on record is incorrect, incomplete or believe that the privacy of **Your** personal information has been interfered with. In these cases, **You** are entitled to raise **Your** concerns. **Your** complaint will be managed and resolved through **Our** Complaints Procedure.
Should **You** wish to obtain more information about Mainstay Underwriting privacy policies, please contact **Us** or alternatively please review the **Policy** on **Our** website www.Mainstay.com.au

From time to time **We** may advise, or offer **You**, information on other Mainstay Underwriting products or services that may be relevant and of interest to **You**. If **You** do not wish to receive these offers or information, please call Mainstay Underwriting on 07 5680 9945 EST 9am-5pm, Monday to Friday.

Updating this PDS
We may need to update this Product Disclosure Statement ("PDS") from time to time if certain changes occur where required and permitted by law. **We** will issue **You** with a new PDS or a Supplementary PDS or other compliant document to update the relevant information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance, **We** may issue **You** with notice of this information in other forms or keep an internal record of such changes (**You** can get a paper copy free of charge by contacting **Us** using **Our** details on the back cover of this PDS).
Other documents may form part of **Our** PDS and this **Policy**. If they do, **We** will tell **You** in the relevant document.

Further information and confirmation of transactions
If **You** require further information about this **Policy** or wish to confirm a transaction, please contact Mainstay Underwriting.

AML collection of Personal Information
We may be required by Anti-Money Laundering/Counter Terrorism Financing legislation to collect **Your** personal information.

Australia Terrorism and Cyclone Insurance Act 2003 Notice

The Underwriters have treated this Insurance (or part of it) as an Insurance to which the Australia Terrorism and Cyclone Insurance Act 2003 (ATACIA) applies.

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

Any coverage established by ATACIA is only in respect of any "eligible terrorism **Loss**" resulting from a "terrorist act" which is a "declared terrorist incident" as defined in ATACIA. The Terrorism exclusion to which this Insurance is subject applies in full force and effect to any other **Loss** and any act or **Event** that is not a "declared terrorist incident".

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

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

NMA2984A - 22 September 2022

General Conditions

The following conditions apply to all Sections of this **Policy**, unless more specifically stated in the relevant Section in which case the term in that Section shall take precedence:

Actions of parties other than You

The acts or omissions of:

1. A tenant of **Yours**; or
2. The owner of, or another tenant in, the **Building** or **Situation**;

which breach any provision of this **Policy** will not affect **Your** entitlement to cover provided that:

   a. The act or omission was committed without **Your** prior knowledge or complicity; and
   b. **You** notify **Us** of the happening or existence of the act or omission as soon as **You** become aware of it; and
   c. **You** pay any reasonable extra **Premium** which **We** require.

Alteration to risk

If **You** become aware of any changes to the facts or circumstances which existed when this **Policy** commenced that change the nature of the risk in a way that would increase the risk of **Loss, Damage** or liability **You** must notify **Us** in writing. If **We** agree to the change, **We** will do so in writing and **You** must pay **Us** any additional **Premium We** require and/or **We** may cancel cover if **We** do not agree.

Bankruptcy or Insolvency

In case of execution against **You** of any final judgment covered by this **Policy** being returned 'unsatisfied' by reason of such bankruptcy or insolvency, then an action may be maintained by the injured party or their representative against **Us** in the same manner, and to the same extent as **You** but not in excess of the **Limit of Liability** and subject to the terms of the **Policy**.

Basis and method of Settlement of Claims

We will choose the method of settlement of **Your** Claim. If **You** do not agree with the way **We** wish to settle **Your** claim **We** may settle all or any element of a claim for the cost to repair or replace any element of **Your** claim. **We** have the right to choose the builder or repairer or supplier to repair, reinstate or replace **Insured Property** and **You** give **Us** the right to enter into a contract with a builder, repairer or supplier on **Your** behalf.

Batteries

It is a condition of this **Policy** that:

1. The charging of all **Vehicle** batteries, including but not limited to electric scooters, electric bikes, electric skateboards, electric **Vehicles** and combustion **Vehicles**, must occur during business hours and the activity must not be unattended.
2. Where a **Vehicle** has been damaged:
   a. For **Vehicles**, that are not an electric **Vehicle**, where there is any damage to the engine bay, the **Vehicle** must be stored outside of the **Building** (at least 3 metres from the **Building**) or the battery removed from the **Vehicle**, when outside of business hours.

b. Batteries that have been removed from **Vehicles** or are being stored, must be stored either outside the **Building** (at least 3 metres from the **Building**) or stored in a purpose-built flammable liquids store or cabinet.

3. All electronic and battery-powered equipment (excluding **Vehicles**) used at the **Situation** must be inspected, tagged, and tested by a qualified professional at least once every 12 months to ensure compliance with safety standards.

If **You** do not carry out or maintain these minimum standards, **We** may reduce or refuse to pay a claim or may cancel this **Policy**.

Claim administration and legal proceedings
When a claim is admitted, **We** have the right at **Our** discretion to exercise all **Your** legal rights relating to the claim and to do so in **Your** name. **We** will take full control of the administration, conduct or settlement of the claim including any recovery or defence that **We** may consider is necessary.

Claim settlements – GST
When **We** calculate the amount **We** will pay **You**, **We** will have regard to the items below:
Where **You** are liable to pay an amount for GST in respect of an acquisition relevant to the claim (such as services to repair a **Damaged** item covered under this **Policy**) **We** will pay the GST amount.
We will pay the GST amount in addition to the Sum **Insured** or **Limit of Liability** or other limits shown in this **Policy**.
If **Your** Sum **Insured** or **Limit of Liability** is not sufficient to cover the claim, **We** will only pay the GST amount that relates to **Our** settlement of the claim.
We will reduce the GST amount **We** pay by the amount of any input tax credits to which **You** are or would be entitled.
Where **We** make a payment under this **Policy** as compensation instead of payment for a relevant acquisition, **We** will reduce the amount of the payment by the amount of any input tax credit that **You** would have been entitled to had the payment been applied to a relevant acquisition.
Where the **Policy** insures Business Interruption, **We** will (where relevant) pay **You** on the claim by reference to the GST exclusive amount of any supply made by **Your Motor Trades Business** that is relevant to the claim.

Complying with Our Requirements
You must comply, within a reasonable time which **We** will specify, with any request made by **Us**:

1. To be allowed to survey **Your Situation** or examine **Your Products**;
2. For the protection or improvement of **Your Property**; or
3. To reduce the likelihood of **Loss** of or damage to property, breakdown, audit, fidelity **Loss** or any other **l**oss or damage insured by the **Policy**.

If **You** do not comply with **Our** requests **We** may refuse a claim or reduce the amount **We** pay, or cancel this **Policy**.

Disclosure – Input tax credit entitlement
If **You** register, or are registered, for GST **You** are required to tell **Us Your** entitlement to an input tax credit on **Your Premium**. If **You** fail to disclose or **You** understate **Your** entitlement, **You** may be liable for GST on a claim **We** may pay. This **Policy** does not cover **You** for this GST liability, or for any fine, penalty or charge for which **You** may be liable.

Fire Precaution Condition
You must take the following fire precautions and minimum standards:

1. Smoking must be strictly prohibited internally throughout the workplace. "No Smoking" signs should be conspicuously displayed at all access points to the workplace. A dedicated external staff area is to be assigned for smoking with a clearly defined receptacle for extinguishing and disposing of cigarette butts;
2. Flammable liquids are to be stored in a purpose built flammable liquids store or cabinet;
3. The following minimum fire protection must be present:
   a. A fire extinguisher outside any spray booth;
   b. A fire extinguisher adjacent to the flammable liquids store;
   c. A fire extinguisher adjacent to electrical switchboards;
   d. A fire extinguisher for each 200 square metres of floor space or hose reels installed so that any point of the factory floor is reachable by at least one hose stream.
   e. Fire extinguishers and hose reels should be kept accessible at all times. Sign posting should clearly identify the position of hose reels and extinguishers.
   f. All fire protection equipment is to be inspected and certified at least every 12 months or as per the Relevant Standards of the Local State or Territory in which the **Building** is located.

If **You** do not carry out or maintain these minimum standards, **We** may reduce or refuse to pay a claim or may cancel this **Policy**.

Headings
Headings have been included for ease of reference only. The provisions of the **Policy** are not to be construed or interpreted by reference to such headings.

Interpretation
In this **Policy** the singular includes the plural and vice versa. The male gender includes the female and neutral genders.
A reference to section or Section in the **Policy** is a reference to a section of the **Policy**.
A reference to an additional benefit in a **Section** of the **Policy** is a reference to those additional benefits set out in that Section of the **Policy**.
A reference to an optional benefit in a **Section** of the **Policy** is a reference to those optional benefits set out in that Section of the **Policy**.

Keeping Us up to date
During the **Period of Insurance** and at renewal, **You** must tell **Us** of any of the following changes (for which **We** may ask for an additional **Premium** to maintain cover):

1. If the **Building** is not in a good state of repair;
2. Details of any work on the **Building** other than routine maintenance or decoration;
3. Any material change in the business;
4. Any change of **Situation**;
5. Any changes to the types of **Vehicles**, including Electric **Vehicles**, that **You** sell, store, or work on.
6. details of any conversion or modification to a **Vehicle** made by someone other than the manufacturer. For example, if **You** give a **Vehicle** wide tyres or wheels, or lower its suspension; and
7. If there is any change in the use of **Your Vehicle**. For example, if **You** start using **Your Vehicle** for courier services.

You must tell **Us**:

1. If **You** or any person who is likely to drive **Your Vehicle** has been charged with or convicted of any motor offence or motor infringement (but not parking fines);
2. If **You** or any person who is likely to drive **Your Vehicle** has had a license suspension, disqualification, cancellation;
3. Details of any motor **Accidents** that **You** or any person likely to drive **Your Vehicle** has had – whether or not involving **Your Vehicle**; or
4. If **You** or any person who is likely to drive **Your Vehicle** is convicted of any criminal offence.

Maximum amounts
Where a dollar amount is specified e.g. "*Maximum*: $2,000" for example in an Additional or Optional Benefit(selected by **You** and specified as covered in the **Schedule**) in any Section of this **Policy**, that amount is the maximum amount **We** will pay in respect of any one **Event** for that Additional or Optional Benefit unless a higher amount is specified for that Additional or Optional Benefit in **Your Schedule**.

Non-imputation
Where this insurance is arranged in the joint names of more than one **Insured**, as described in the definition of **You**, it is hereby declared and agreed that:

1. Each **Insured** shall be covered as if it made its own **Proposal** for this insurance;
2. Any declaration, statement or representation made in any **Proposal** shall be construed as a separate declaration, statement or representation by each **Insured**;
3. Any knowledge possessed by any **Insured** shall not be imputed to the other **Insured**(s).

Other notices
Any communications under this **Policy** must be sent to **Us** by the **You** to **Our** address or facsimile number specified in this PDS.

Other Insurance
If at the time of any **Loss** covered by this **Policy**, there is any other insurance, wholly or partly covering the same **Loss**, **We** will not pay towards any such **Loss** except in excess of the amount recoverable under the other insurance.

Premium Adjustment
Unless otherwise stated, the **Premium** charged for this **Policy** is a flat **Premium** and not subject to adjustment, except in relation to the provisions contained within General Conditions 'Alteration to Risk' and 'Keeping **Us** up to Date'.

Reading exclusions
If any portion of any exclusion is found to be invalid or unenforceable the remainder will remain in full force and effect.

Reasonable care and maintenance
You must:

1. Take all reasonable steps to prevent **Loss** of or **Damage** to property, breakdown, financial **Loss**, fidelity **Loss** or any other **Loss** or **Damage** covered by this **Policy**;
2. Take all reasonable care to prevent **Personal Injury** to another person or **Damage** to another person's property;
3. Comply with all laws and safety requirements imposed by any authority or by state or national legislation;
4. Employ only competent **Employees**;
5. Keep all property well maintained; and
6. Keep all **Vehicles** in a roadworthy condition.

Reinstatement of Sum Insured
After **We** have admitted liability for a claim, **We** will automatically reinstate the Sum **Insured** and/or Additional Benefit limits to their pre-**Loss** amount without any additional **Premium** having to be paid. This condition does not apply when **We** pay a **Total Loss** or the full Sum **Insured**. Automatic reinstatement does not a apply to Sections 1,2 and 3 and to additional Benefit in any Section.

Salvage Value
We are entitled to any **Salvage Value** on recovered and **Damaged** items that have been replaced.

Spray Painting Condition
Spray painting must be conducted in a spray booth with extraction vents whenever spray painting operations are undertaken as part of **Your Motor Trades Business**.
If **You** do not carry out or maintain these minimum standards, **We** may reduce or refuse to pay a claim or may cancel this **Policy**.

Storage of Hazardous Goods
Hazardous Goods stored at the **Situation** by any **Motor Trades Business** must be stored in quantities and in a manner permitted by relevant laws or regulations. Failure to comply with the above may cause a declinature of a claim and/or cancellation of cover.

Sub-Contractors
All sub-contractors must maintain their own insurance, including an active Public Liability **Policy** with a minimum cover of $1,000,000, which may include road risk and driving risk coverage where applicable to their work, and hold valid licences relevant to their work. **You** are responsible for ensuring that each sub-contractor's insurance and licences remain valid at all times—both at the start of employment and at least every six (6) months thereafter. **Your Policy** will not cover any claims arising from a sub-contractor's failure to maintain adequate Public Liability insurance, road/driving risk coverage, or relevant licences.

Sub-Contractors Driving Condition
If **You** require cover for sub-contractors to drive **Vehicles** insured under **Your Policy**, **We** may agree in writing to extend coverage under Section 4.1, Section 4.3, and Section 5, subject to:

1. Payment of any additional **Premium**; and
2. Written confirmation from **Us** that the named sub-contractor is covered under this condition; and
3. Sub-contractors confirming that they have not had any licence suspensions, cancellations, disqualifications, or convictions in the past five (5) years, unless agreed in writing by **Us**.

Cover for sub-contractors:

1. Is limited to the maximum sum insured per **Vehicle**, as stated in **Your Schedule** under Section 4 – Motor Combined Risks.
2. Remains subject to Section 4.3 – Third Party Vehicle Extension.
3. Applies only to the operation (driving) of **Vehicles** under Section 5 – Broadform Liability. No other cover, or extensions under the Broadform Liability Section of **Your Policy** apply to sub-contractors.

This condition does not replace the requirement for sub-contractors to maintain their own Public Liability insurance. All other terms, conditions, and exclusions of the **Policy** continue to apply.

Subrogation and recoveries
Where **We** pay a claim, **We** are subrogated to **Your** rights in respect of that claim. **You** agree to provide **Us** with all information, evidence, documentation, assistance and co-operation and to execute such documents, including signed statements and affidavits, which **We** reasonably request in the exercise of **Our** rights of recovery, at **Your** own cost, and use reasonable endeavours to assist **Us** in the exercise of **Our** rights of recovery.
All **Money** recovered from other parties will be allocated in accordance with **Policy** 67 of the Insurance Contracts Act 1984 (C'th) as at the date this PDS and **Policy** Wording was prepared.
All **Money** recovered from other parties before settlement of any claim under this **Policy** will be held for the benefit of **Us** and applied as stated immediately above after settlement, if any is made.
Recoveries do not include any amount recovered from insurance, surety, reinsurance, security or indemnity taken for the benefit of **Us**.
Subrogation waiver
We agree to waive any rights and remedies or relief to which **We** may become entitled by way of subrogation against:

1. Any corporation or organisation (including its directors, officers, **Employees** or servants) owned or controlled by **You**, any of **Your** subsidiaries or any co-owner of the relevant **Insured Property**;
2. **Your** directors, officers, **Employees** or servants; or
3. Any government, semi-government, municipal or other statutory authorities or owners and lessors of **Situation** but only where **You** have waived **Your** rights or remedies against such parties or agreed to hold such parties harmless in any contract **You** have with them.

Underinsurance
Claims under this **Policy** for the following Sections will be limited in the amount that **We** pay when **You** have a claim if **You** have understated a sum insured or declared value in **Your Proposal** or request for insurance:

1. Section 1 – Property Damage;
2. Section 2 - Business interruption;
3. Section 4 - Motor Combined Risks (clause 4.1 only).

If **You** have understated a Sum **Insured** or Declared Value, **We** will only pay that proportion of the claim which the Sum **Insured** or Declared Value bears to 85% of the actual value at the commencement of the Period of Insurance.
Example:
Claim Payment =

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

This condition does not apply if the amount of any **Loss** or **Damage** (net of any Input Tax Credit that **You** could claim) is less than 5% (five percent) of the total Sum **Insured** specified in **Your Schedule** for a Sum **Insured** or a declared value.

Vehicle Return
Where **Your Vehicle** is **Damaged** in an accident and cannot be driven **We** will pay up to a maximum of $500 any one **Event** (unless such other amount is specified in the **Schedule**) to return **Your Vehicle** to its original destination or point of departure, whichever is required by **You**.

Your representative – authorisation
By entering into this **Policy**, **You** agree that the person representing **You** when applying for this insurance is authorised to give and receive information on **Your** behalf in relation to all matters arising under this **Policy** and in accordance with the Insurance Contracts Act 1984.

Combustible Waste and Stock in the Open
It is a condition of this **Policy** that waste and **Stock** in the **Open Air** shall be:

1. Stored at least (6m) six metres away from the **Buildings** at all times and a clear space of at least (6m) six meters is to be maintained at all times.
2. Individual tyre stacks should not exceed 3 metres in height, (30 m2) Thirty square metres in area.
3. A minimum clear separation of (6m) six metres must be maintained between each individual tyre

stack. No more than four individual tyre stacks may be stored at the **situation**.

4. Tyres should be stacked at least (6m) six metres from all non-combustible boundaries and **Buildings**, and (6m) six metres from combustible boundaries or **Buildings**.

These are the conditions of the insurance that **You** need to meet as **Your** part of this contract. If **You** do not meet these conditions, **We** may refuse to pay a claim, or **We** may reduce the amount **We** pay.

Hot Works Condition

It is a condition of this **Policy** that when Cutting, Welding and other "hot work" processes are only to be undertaken with the following precautions in place:

1. No work to be undertaken without direct approval of management and a hot work permit issued by them
2. No work to begin without a prior inspection by the contractor with management of the areas where work is to be carried out.
3. All combustible material should be cleared at least six metres from around work area, including below the work area.
4. If not practical to remove combustible storage etc, then approved welding fire safety covers should be placed on or around it
5. If work is to be carried out in the vicinity of the composite / sandwich panels then such panels must be protected by non-combustible blankets, drapes, or screens.
6. Prior to cutting into walls, partitions, tanks and the like and inspection should be undertaken to check for combustible insulation, wiring, flammable liquids, and the like are not present on the other/inside.
7. If practical, item to be welded or cut should be taken outside, or into a separate workshop, rather than worked on "in situ".

After work is completed, it should be continuously inspected to check for hot spots and smouldering for 1 hour to confirm the area is fire safe.

Wood Working Condition

It is a condition of this **Policy** that **You** are required to ensure compliance with the following minimum standards in relation to any wood working operation at the location:

1. Smoking must be strictly prohibited internally throughout the **Situation**. "No Smoking" signs should be conspicuously displayed at all access points to the **Situation**. A dedicated external staff area is to be assigned for smoking with a clearly defined receptacle for extinguishing and disposing of cigarette butts;
2. All woodworking machinery producing waste must be installed with mechanical waste extraction systems. If the extracted waste terminates within the **Building**, then it must be ducted to purpose made collection bags;
3. All floors, work benches and machinery must be cleaned of dust and waste accumulations daily. All waste must be removed to an outside bin at the end of each working day or to an auto-closing or self-closing bin within the **Situation**, and removed from site for emptying at least weekly;
4. All machines to be cleaned and checked that they have cooled down prior to staff leaving at the end of the day;
5. All spray painting (including spray applications of lacquer, adhesive or other flammable liquid) must be conducted in a spray booth with extraction vents;
6. All flammable liquids must be stored in a purpose built flammable liquids store or cabinet;
7. The following minimum fire protection must be present:
   a) A fire extinguisher outside any spray booth;
   b) A fire extinguisher adjacent to the flammable liquids store;
   c) A fire extinguisher adjacent to electrical switchboards;
   d) A fire extinguisher for each 200 square metres of floor space or hose reels installed so that any point of the factory floor is reachable by at least one hose stream.
   e) Fire extinguishers and hose reels should be kept accessible at all times. Sign posting should clearly identify the position of hose reels and extinguishers.
   f) All fire protection equipment is to be inspected and certified at least every 12 months or as per the Relevant Standards of the Local State or Territory in which the **Building** is located.

If **You** do not carry out or maintain these minimum standards, **We** may reduce or refuse to pay a claim or may cancel this **Policy**.

Monitored Smoke Detector(s)

If **You** have declared to **Us** that monitored smoke detectors are installed and operational at **Your Situation**, it is a condition of this **Policy** that monitored smoke detectors must:

1. be installed at the **Situation**(s) covered by this **Policy** which comply with Australian Standard AS 3786:2014 (or any replacement standard) and any applicable laws and regulations applying to smoke detectors;
2. be tested at least monthly;
3. remain operational and active at all times, outside **Your** normal business hours, at the **Situation**, including covering the **Stock** and workshop areas; and
4. be monitored by a licensed state government security provider.

If **You** do not carry out or maintain these minimum standards, **We** may reduce or refuse to pay a claim.

At **Our** discretion, where the monitored smoke detectors have not yet been installed, **We** will provide written advice providing a period of time for **You** to install the smoke detectors. Once this period of time has lapsed, if the smoke detectors are not installed, this **Policy** shall exclude any claims with respect to FIRE and any consequential **Loss** from the **Event**. This exclusion shall apply to all sections of the **Policy**.

Monitored Burglar Alarm
If **You** have declared to **Us** that a monitored burglar alarm is installed and operational at **Your Situation**, It is a condition of this **Policy** that the monitored burglar alarm must:

1. be installed at the **Situation**(s), covering as a minimum, all **Stock** that is indoors and workshop areas;
2. be at least a class 3 alarm and monitored, as referred to in Australian Standard AS 2201:2008;
3. be tested daily;
4. remain operational and active at all times outside **Your** normal business hours or when the **Situation** is unattended or unmanned; and
5. be monitored by a licensed state government security provider.

If **You** do not carry out or maintain these minimum standards, **We** may reduce or refuse to pay a claim.

At **Our** discretion, where the monitored burglar alarm has not yet been installed, **We** will provide written advice providing a period of time for the **Policy**holder to install the burglar alarm. Once this period of time has lapsed, if the burglar alarm is not installed, this **Policy** shall exclude any claims with respect to **THEFT** and MALICIOUS DAMAGE. This exclusion shall apply to all sections of the **Policy**.

Bollard(s)
If **You** have declared to **Us** that **Your Situation** has Bollard(s) installed and operational, it is a condition of this **Policy** that the bollards must be:

1. Installed at the **Situation**(s) covering each entry, and exit point for a **Vehicle**; and
2. In place at all times, outside the insureds normal business hours, at the **Situation**(s).

If **You** do not carry out or maintain these minimum standards, **We** may reduce or refuse to pay a claim.

At **Our** discretion, where bollards have not yet been installed, **We** will provide written advice providing a period of time for **You** to install bollards. Once this period of time has lapsed, if the bollards have not been installed, this **Policy** shall exclude any claims with respect to **Theft** of **Vehicles**. This exclusion shall apply to all sections of the **Policy**.

Changing Situation Extension
If **You** are relocating to a new **Situation**, notify **Us**, and **We** agree in writing, **We** will extend cover for **Insured** Property, and **Your Vehicles** (Sections 1, 3, 4, and 6) at both **Your** current **Situation** (from which **You** are moving) and the new **Situation** (the location **You** are moving to, as declared and agreed by **Us**). Cover will apply at both situations for a period of 14 consecutive days, starting from the earlier of:

- The date **You** begin moving any **Insured** Property, or **Vehicles** to the new **Situation**; or
- The date **You** commence business activities at the new **Situation**.

This extension applies only while the **Insured** Property, and **Vehicles** remain at either **Situation** and is subject to the cover, terms, conditions, and exclusions as outlined in **Your Schedule** and this **Policy**.

All other **Policy** terms, conditions, and exclusions, including those applicable to **Insured Property** and **Vehicles**, continue to apply to both situations during this 14-day period. After this period, cover provided under this extension for either the current or new **Situation** will cease.
If **You** relocate without notifying **Us**, or if **We** do not agree in writing to extend cover under this extension, cover under this extension will not apply.
This clause does not apply to Section 2 - Business Interruption or Section 5 - Broadform Liability. Cover under these sections is only applicable to the agreed **Situation** in **Your Schedule** or within the applicable territorial limits.

Electric Vehicle Condition

If **You** declare to **Us**, that **You** have Electric **Vehicles** at **Your Situation**, the following conditions apply to all Sections of this **Policy**, unless more specifically stated in the relevant Section in which case the term in that Section shall take precedence:

Definitions:

New Electric Vehicle

Refer to New Vehicle/New Electric Vehicle definition within the 'General Definition' section

Used Electric Vehicle

Refer to Used Vehicle/Used Electric Vehicle definition within the 'General Definition' section

Conditions

Electric Vehicle Declaration and Notification

It is a condition of this **Policy** that if **You** have declared in **Your Proposal** that **Your Situation** does not have electric **Vehicles**, but this changes during the Period of Insurance, **You** must notify **Us** as soon as possible, regardless of the total value or quantity of electric **vehicles**.

If **Your Situation** has electric **Vehicles** that have not been declared, **You** must comply with the conditions set out within this **Policy**.

If **You** do not comply, **We** may reduce or refuse to pay a claim or may cancel this **Policy**.

Batteries

It is a condition of this **Policy** that:

1. The charging of all **Vehicle** batteries, including but not limited to electric scooters, electric bikes, electric skateboards, electric **Vehicles** and combustion **Vehicles**, must occur during business hours and the activity must not be unattended.
2. Where a **Vehicle** has been damaged:
   a. For **Vehicles**, that are electric **Vehicles**, where there is any physical damage to the battery, the **Vehicle** must be stored outside of the **Building** (at least 3 metres from the **Building**) or the battery removed from the **Vehicle**, when outside of business hours.
   b. Batteries that have been removed from **Vehicles** or are being stored, must be stored either outside the **Building** (at least 3 metres from the **Building**) or stored in a purpose-built flammable liquids store or cabinet.
3. All electronic and battery-powered equipment (excluding **Vehicles**) used at the **Situation** must be inspected, tagged, and tested by a qualified professional at least once every 12 months to ensure compliance with safety standards.

If **You** do not carry out or maintain these minimum standards, **We** may reduce or refuse to pay a claim or may cancel this **Policy**.

Electric Vehicle Charging Condition

You must comply with the following minimum standards in relation to any electrical **Vehicle** battery charging at the specified **Situation** noted on the **Schedule**:

1. Only charge points that have been installed by a suitably authorised and qualified installer, in accordance with relevant industry regulations, may be used;
2. Charge points and cables must be inspected, maintained, and stored in accordance with manufacturer guidance and relevant industry regulations;
3. Charge points and cables must only be used in accordance with manufacturer guidance and not be modified in any way;
4. Sign posting identifying which equipment can be charged must be present at the charge point to ensure clarity and safety;
5. Charging of devices or plant must be restricted to working hours and only while the **Situation** is attended. No charging is to be carried out while the **Situation** is unattended;
6. Only charge points and cables that meet the device or plant manufacturer's recommendations are to be used at the **Situation**;
7. A distance of 3 metres must be kept clear of combustible material around charge points and a distance of 3 metres should be kept clear of combustible material between a battery charger and a rack fixture; and
   a) **You** must ensure that staff are trained on emergency procedures for dealing with EV-related fires, including the proper use of fire extinguishers and evacuation protocols.
   b) **You** must maintain records of all inspections, maintenance, and certifications for charge points, cables, fire protection equipment, and related systems. These records should be readily available for inspection by **Us** upon request.

If **You** do not comply with these minimum standards, **We** may reduce or refuse to pay a claim or may cancel this **Policy**.

Qualified & Certified for Electric Vehicles

It is a condition of **Your Policy** that only qualified and certified individuals who are authorised by the manufacturer are permitted to work on electric **Vehicles**, including but not limited to any repair, maintenance, or battery-related tasks. All employees must possess the necessary training and certification to handle high-voltage systems and must adhere to the manufacturer's guidelines and safety standards. If **You** do not comply with these minimum standards, **We** may reduce or refuse to pay a claim or may cancel this **Policy**.

Electric Vehicles Inside Your Building

It is a condition of this **Policy** that when Electric **Vehicles** are inside **Your Building** for sale, storage, service, or repair after business hours or while the **Situation** is unattended, they must be stored in accordance with the manufacturer's recommended guidelines. The stored **vehicle(s)** must comply with these requirements for the entire storage period or until sold, unless actively used or operated. Notwithstanding the manufacturer's guidelines, the battery charge must not exceed 50% state of charge (SOC) at any time if that **Vehicle** is Stored inside **Your Building** after business hours or while **Your Building** is unattended. If **You** do not comply with these minimum standards, **We** may reduce or refuse to pay a claim or may cancel this **Policy**.

Electric Vehicle Fire Extinguishers Requirement
Notwithstanding any other provision of this **Policy** (including any coverage extensions or additional coverages thereto) the following amendment is made to this **Policy**:
If **You** have electric **Vehicles** inside **Your Building** at **Your Situation**, a lithium-ion battery fire extinguisher must be installed and operational:
1. Adjacent to battery charging areas and switchboards; and
2. **Vehicles** stored inside **Your Building**: For each 200 square metres of floor space where there are electric **Vehicles**.

If **You** have electric **Vehicles** at **Your Situation** in the "open air," a lithium-ion battery fire extinguisher must be installed and operational:
1. Adjacent to battery charging areas and switchboards; and
2. Within reasonable proximity to **Your** Electric **Vehicle(s)** at each of **Your Situation**s

Your lithium-ion battery fire extinguishers:
1. Should be kept accessible at all times. Sign posting should clearly identify the position of the extinguisher(s); and
2. Must be inspected and certified at least every 6 months or as per the Relevant Standards of the Local State or Territory in which the **Building** is located.

If **You** do not carry out or maintain these minimum standards, **We** may reduce or refuse to pay a claim or may cancel this **Policy**.

Exclusion
The following exclusions apply to all Sections of this **Policy**.
Used Electric Vehicles Inside Your Building (Sale & Storage)
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with Used Electric **Vehicles** stored inside **Your Building** for sale or storage after business hours or while the **Situation** is unattended. All Used Electric **Vehicles** intended for storage or sale must be stored externally, in the **Open Air**.

Electric Vehicle – Public Space
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with from the display, exhibition, or placement of Electric **Vehicles** (EVs) in shopping centres or any enclosed public spaces.

General Exclusions

Exclusions to all sections

The following exclusions apply to all Sections of this **Policy**, unless the relevant Section specifies to the contrary, in which case the term in that Section will prevail, however the Communicable Disease and Terrorism exclusions below, will apply to all Sections and prevail notwithstanding any clause to the contrary in any Section.

Towing Operations
This **Policy** excludes **Loss**, damage, liability, cost, or expense of any nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with:
1. The towing of **Vehicles** from motor **Vehicle** accident sites.
2. Any activities associated with the recovery, salvage, or removal of **Vehicles** from accident scenes.
3. The provision of roadside assistance services.
4. The operation of tow trucks or other **Vehicles** used in towing operations, except for delivery or collection from a residential or commercial address.
5. The storage or impoundment of **Vehicles** following towing operations.

This exclusion applies regardless of whether the towing activities are conducted by the **Insured** or by a third party on behalf of the **Insured**.

Test Driving of Motorcycles
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with test driving of motorcycles by third parties, including but not limited to:
- The operation or use of motorcycles by third parties for test drives.
- Any activities associated with the offering, facilitating, or supervision of test drives involving motorcycles by third parties.
- Any **Loss**, damage, or injury occurring during the test drive of a motorcycle by a third party, including the actions of the rider, the condition of the motorcycle, or any third party involved in the **Event**.

This exclusion applies regardless of whether the motorcycle is used for personal or commercial purposes, or if the third party rider holds a valid motorcycle licence.

Above the 26th Parallel
If the geographical location of **Your Property** falls above the longitudinal measure, 26'S (26th Parallel), this **Policy** will exclude **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with the extraneous perils of Cyclone, Storm, Lightning and **Flood**.

Absolute Asbestos Exclusion
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with:

- **Asbestos**, the incorporation of **Asbestos** in Property **Insured**, exposure to **Asbestos** or the escape of **Asbestos**.
- subsequent damage, clean-up costs, removal of debris, disposal and decontamination costs caused by or arising directly or indirectly out of **Asbestos**, the incorporation of **Asbestos** in Property **Insured**, exposure to **Asbestos** or the escape of **Asbestos** or **Damage** resulting from **Asbestos**.
- The manufacture of, supply of, or installation, storage, handling, removal, stripping or dismantling of asbestos or asbestos containing materials
- Injury which arises in whole or in part, either directly or indirectly, out of **Asbestos** whether or not the **Asbestos** is airborne as a fibre or particle, contained in a product, carried on clothing, or transmitted in any fashion whatsoever.

Biological or Chemical Materials
It is agreed that this **Policy** excludes **Loss**, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or **Event** contributing concurrently or in any other sequence thereto.
NMA2962 – 06/02/2003

Communicable Disease
1. Notwithstanding any other provision of this **Policy** to the contrary, This **Policy** does not cover any **Loss**, damage, liability, claim, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
2. For the purposes of this endorsement, **Loss**, damage, liability, claim, cost or expense includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:
   2.1. for a Communicable Disease, or
   2.2. any property insured hereunder that is affected by such Communicable Disease.
3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
   3.1. 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, and
   3.2. 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 or between organisms, and
   3.3. 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 insured hereunder.

LMA5396 – 17 April 2020

CYBER, DATA & WAR LIMITED EXCLUSION
(Other than Bodily Injury or Property Damage arising out of a Cyber Incident)
1. Notwithstanding any provision to the contrary within this **Policy** or any endorsement thereto this **Policy** does not apply to any **Loss**, damage, liability, claim, fines, penalties, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any:
   1.1. **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**; or
   1.2. **Loss** of use, reduction in functionality, repair, replacement, restoration, reproduction, **Loss** or **Theft** of any DATA, including any amount pertaining to the value of such DATA,

   regardless of any other cause or **Event** contributing concurrently or in any other sequence thereto, unless subject to the provisions of paragraph 2.
2. Subject to all the terms, conditions and exclusions contained in this **Policy** or any endorsement thereto, clause 1.1 of this Endorsement shall not apply in respect of any actual or alleged liability for and/or arising out of:
   2.1. any ensuing third party bodily injury (other than mental injury, mental anguish or mental disease); or
   2.2. any ensuing physical damage to or destruction of tangible third party property,

   resulting from or arising out of 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**.

   Nothing contained in the foregoing shall provide any coverage for any action taken in controlling, preventing, suppressing or remediating a **CYBER INCIDENT** or a **CYBER ACT**.
3. In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
4. If the Underwriters allege that by reason of this endorsement **Loss** sustained by the **Insured** is not covered by this **Policy**, the burden of proving the contrary shall be upon the **Insured**.

Definitions
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.

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**.

CYBER INCIDENT means:
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
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**.

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**.
LMA5469A – 12 October 2022

Deliberate Acts
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with criminal, deliberate or intentional acts or omission caused or incurred by **You** or by any person acting with **Your** express or implied consent.

Driving Under the Influence of Drugs/Alcohol
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with **Vehicles** being driven or controlled by **You**, on **Your** behalf or by any of **Your Employees** by a driver:
1. Whose faculties are impaired by or who is under the influence of alcohol or drugs and/or alcohol;
2. Who has been convicted of driving or controlling any such **Vehicle** while under the influence of alcohol and/or drugs;
3. In whose breath or blood the concentration of alcohol equals or exceeds that prohibited by the law applicable in the State or Territory at the time the incident occurred, as indicated by analysis of the person's breath or blood; or
4. Who fails or refuses:
   a. To provide a specimen, or sample of breath for analysis by a breath analysing instrument;
   b. To provide a specimen or sample of blood for a laboratory test or blood test; or
   c. To comply with a direction or requirement of a member of the police force or other authorised person as to the provision 4a. or 4b, where such specimen or sample is sought or such direction or requirement is made to ascertain the concentration of alcohol or drugs in such person's breath or blood while the **Vehicle** was being driven or controlled by any such person.

However, this Exclusions shall not apply if:
1. There is any relevant statutory provision to the contrary;
2. There is any statutory provision which allows an election or exemption of a person from providing a specimen or sample but only to the extent of such election or exemption; or
3. Where **You** were not driving or controlling the **Vehicle**, **and You** did not consent to the **Vehicle** being either driven or controlled by any such person, however the burden of proof shall be upon **You.**

Fuel and Oils
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with:
1. Incorrect fuel, incorrect additive or non-approved fuel systems
   a. the use of incorrect fuel or incorrect additive; or
   b. the use of a fuel system in **Your Vehicles** and which does not comply with Australian Standards.
2. **Loss** of fuel

The **Loss** of or **Theft** of fuel from **Your Vehicles** or property or for the cost or replacement of contaminated fuel in **Your Vehicle** or property.
3. **Loss** of oil/coolant

Any resultant mechanical **Damage** caused by the **Loss** of oil or coolant in **Your Vehicle**. However, this exclusion will not apply if **Your Vehicle**:
   a. suffers Malicious Damage; or
   b. is **Damaged** by impact; or
   c. is **Damaged** by an unauthorised person driving **Your Vehicle**.

Unregistered Vehicles
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with any **Event** involving **Your Vehicle** if the **Vehicle** is unregistered at the time of the **Event** giving rise to the claim, unless:
1. The **Vehicle** has a valid, registered Trade Plate with Compulsory Third Party (CTP) Insurance; or
2. The **Damage** occurred while the **Vehicle** was at **Your Situation**.

Hiring / Leasing / Rental
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with:
1. any **Vehicles** hired or leased on a dry hire basis, where the **Vehicle** is rented out without any driver or operator being provided by the owner. This applies regardless of whether the **Vehicle** is used by the lessee or any third party
2. any **Vehicle** rented, hired, or leased, including **Vehicles** used by **You**, **Your** employees, contractors, or any third party under the hire or lease agreement
3. the use, operation, or possession of hired or leased **Vehicles**, including dry hire
4. the condition, maintenance, servicing, or failure of **Vehicles** hired, leased, or rented (including dry-hired **Vehicles**)

5. the sub-hiring or sub-leasing of **Vehicles** by **You** to a third party, whether with or without a driver the terms or conditions of the hire, lease, or rental agreement itself, including disputes regarding charges, terms of return, or breach of the agreement, is not covered by this **Policy**.

This exclusion applies regardless of the circumstances under which the **Vehicles** are hired, leased, or rented and whether the agreement is formal, informal, or implied.

Known Faults or Defects

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with faults or defects known to **You** or any **Employee** whose knowledge in law would be deemed to be **Yours** and not disclosed to **Us** at the time this **Policy** was entered into.

Lawful Seizure

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with lawful seizure caused directly or indirectly by the lawful seizure, detention, confiscation, nationalisation or requisition of the **Insured Property**;

Personal Use of Caravans

This policy does not provide cover for any loss, damage, liability, or expense arising from or in connection with the use of any caravan for personal, private, or non-commercial purposes.

For the purposes of this exclusion, *personal, private, or non-commercial purposes* means any use of the caravan for leisure, recreation, holiday accommodation, residential purposes, or any activity not directly related to the insured's declared business or commercial operations. This includes, but is not limited to:

- Occupying the caravan as temporary or permanent living quarters;
- Using the caravan for family holidays or travel;
- Parking or storing the caravan for personal convenience rather than business necessity.

Cover applies only where the caravan is used exclusively for business or commercial activities as declared to the insurer.

Radioactive Contamination Exclusion Clause

This **Policy** does not cover:

a. **Loss** or destruction of or damage to any property whatsoever or any **Loss** or expense whatsoever resulting or arising therefrom or any consequential **Loss**

b. any legal liability of whatsoever nature

directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel

NMA1270 – 03/12/1959

Sanction Limitation and Exclusion Clause

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America.

LMA3100A – 5 October 2023

Tyre Manufacturing, Re-tread or Rebuild Tyre Manufacturing

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with tyre manufacturing, re-tread or rebuilt tyre manufacturing.

Vehicles Sold Under Finance Agreements

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with any **Vehicle** sold or leased by **You** under a finance agreement, regardless of whether ownership has been transferred to the customer or not.

War and Civil War Exclusion Clause

Notwithstanding anything to the contrary contained herein this **Policy** does not cover **Loss** or **Damage** directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

NMA0464 – 01/01/1938

Driving Infringement & Criminal History Exclusion

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with any driver who, within the last five (5) years, has had their licence suspended, cancelled, or disqualified, or has been convicted of a criminal offence, unless **We** have agreed in writing to extend cover to that driver. However, this exclusion does not apply to **Your** customers where it would not have been reasonable for **You** to know that the customer had their licence suspended, cancelled, or disqualified.

Dyno Tuning

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with any dyno tuning or similar performance testing activities undertaken on any **Vehicle** insured under this **Policy**, including but not limited to:

1. The use of a dynamometer (dyno) or any similar equipment to measure or modify the performance characteristics of a **Vehicle**;
2. Any damage or failure of **Vehicle** components resulting from or aggravated by dyno tuning or similar performance testing activities.

Reconditioning, Dismantling, or Wrecking
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with activities involving the reconditioning, dismantling, or wrecking of **Vehicles** or parts.

Automatic Car Washes
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with any activities associated with automatic car washes, including but not limited to, the operation, maintenance, or malfunction of washing equipment, brushes, machinery, or systems used for automated **Vehicle** washing. This exclusion does not apply to manual car washing, hand washing, pressure washing, or similar **Vehicle** cleaning methods performed without the use of automated systems or machinery

Exclusions to Sections 1, 2, 3, 4 & 6

The following exclusions apply to Sections 1, 2, 3, 4 & 6 of this **Policy**, unless the relevant Section specifies to the contrary in which case the term in that Section will prevail.

Consequential Loss
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with **Consequential Loss** (as defined), unless a section within **Your Policy** specifically provides coverage for such **Loss**.). **Excluded Causes**
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with

1. **Flood**
2. Fusion
3. Water from or action by the sea, tidal wave or high water
4. Moths, termites or other insects, vermin, rust or oxidation, mildew, mould, contamination or pollution, wet or dry rot, corrosion, change of colour, dampness of atmosphere or other variations in temperature, evaporation, disease, bacteria, viruses, inherent vice or latent defect, **Loss** of weight, change in flavour, texture or finish, smut or smoke from industrial operations (other than sudden and unforeseen **Damage** resulting from such smoke or smut);
5. Wear and tear, fading, gradual deterioration or developing flaws, normal upkeep or making good;
6. Error or omission in design, plan or specification or failure of design;
7. Normal settling, seepage, shrinkage or expansion in **Buildings** or foundations, walls, pavements, **Roads** and other structural improvements, creeping, heaving and vibration of land; or
8. The roots of trees or other plants
9. 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 which a certificate is required to be issued under terms of any statute or regulation. This exclusion shall be limited to the items immediately affected by the perils in this clause 9;
10. Faulty materials or faulty workmanship.
11. Incorrect siting of **buildings** consequent upon:
    a. Error in architectural design or specification;
    b. Faulty workmanship; or
    c. Non-compliance by **You** (or anyone acting on **Your** behalf) with the necessary permits issued by government, public or local authorities;
12. Demolitions ordered by government or public or local authorities due to failure on **Your** part or **Your** agents to obtain the necessary permits required;
13. Spontaneous combustion, spontaneous fermentation or heating or any process involving the direct application of heat. However, this exclusion is limited to the item or items immediately affected and do not extend to other property **Damaged** as a result of the spontaneous combustion, fermentation or heating or process involving the direct application of heat.
14. unexplained disappearance or unexplained inventory shortage, whether resulting from errors in supply or delivery of materials by or to **You** or solely from clerical or accounting errors by **You**;
15. **Pollution and Contamination** except **Damage** to **Insured Property** at the **Situation** caused by:
    a. **Pollution and Contamination** at the **Situation** 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 damage, earthquake, storm, bursting, overflowing discharging or leaking of water tanks, apparatus or pipes, sprinkler leakage or impact by any **Vehicle** or animal;
    b. Any of the perils listed in a. above which itself results from **Pollution and Contamination**;
16. **Accidental Damage**, unless specified in the **Schedule** as insured and then only up to the Sub limit specified in the **Schedule**
17. fraudulent or dishonest acts, fraudulent misappropriation, embezzlement, forgery, counterfeiting data corruption, unauthorised amendment of data and erasure by electronic or non-electronic means involved the **Insured Property** by **You** or any of **Your Employees** acting alone or in collusion with any other person;
18. Access by any person, other than **You** or **Your Employee**, to **Your** computer system via data communication media that terminate in **Your** computer;
19. The cessation of work whether total or partial or the cessation, interruption or retarding of any process or operation as a result of strikes, labour disturbances or locked out workers. However, this exclusion does not apply in respect of **Loss** or **Damage** directly caused by strikers, locked out workers or similar persons;
20. Erosion, subsidence, earth movement or **Collapse** resulting from them; or

21. Kidnapping, bomb threat, threat of **Contamination**, hoax, extortion or any attempt of these.

However, the exclusions above will not apply to **Damage** to **Insured Property** caused directly by any circumstances not excluded under this Excluded Causes provision, notwithstanding that these circumstances may in turn have been caused by any of the circumstances referred to in specific perils above.

Property Cyber and Data Exclusion

1. Notwithstanding any provision to the contrary within this **Policy** or any **Endorsement** this **Policy** excludes any:
   1.1. **Cyber Loss**;
   1.2. **Loss**, **Damage**, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any **Loss** of use, reduction in functionality, repair, replacement, restoration or reproduction of any **Data**, including any amount pertaining to the value of such **Data**;

regardless of any other cause or event contributing concurrently or in any other sequence thereto.

2. In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
3. This endorsement supersedes and, if in conflict with any other wording in the **Policy** or any endorsement thereto having a bearing on **Cyber Loss** or **Data**, replaces that wording.

Definitions in this exclusion:

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. **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**.
6. **Cyber Incident** means:
   6.1. 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
   6.2. 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**.
7. **Computer System** means:
   7.1. 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.
8. **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**.

LMA5401 11 November 2019

Unexplained Loss

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with the disappearance, unexplained or inventory shortage, misfiling or misplacing of information.

Ungazetted Roads

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with **Vehicles** on unsealed or ungazetted roads (except for specified **Vehicles** and where specified in the **Schedule**).

Vehicles Locked In Buildings

If **You** have noted on **Your Proposal** that all **Vehicles** are locked in B**uildings** during non-business hours, then this **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with all **Vehicles** that are not kept within **Buildings** during non-working hours. This exclusion does not apply to **Vehicles** that are not at the **Motor Trades Business** location for **Motor Trades Business** purposes, where they are in the care custody and control of another business.

Property Exclusions

We do not cover:

1. Property undergoing construction, erection, alteration or addition when the value of work exceeds 10% of the Declared Value on **Buildings** at the **Situation**;
2. Property whilst in transit other than the incidental movement of property within the **Situation** other than during temporary removal of **Insured Property** (other than **Stock** or merchandise and **Vehicles**) to any **Situation** in Australia;
3. **Money**;
4. Jewellery, furs, bullion, precious metals or precious stones, other than any of these that are **Stock** of the **Motor Trades Business** and not exceeding $2,000 unless specified on the **Schedule**;
5. Works of art, antiques and curios unless they are on the **Situation** at the **Situation** at the time of the **Damage** and then limited to an amount not exceeding $2,000 in total unless such other amount is specified in the **Schedule**;
6. Any locomotive or rolling stock or **Watercraft**, other than any of these that are **Stock** of the **Motor Trades Business**, however, cover in respect of **Watercraft** whilst on **Water** will only apply to **Stock** whilst being used for demonstration purposes, up to the amount set out on the **Schedule**;

7. Any **Aircraft** (including its **Accessories** or spare parts) other than any of these that are **Stock** of the **Motor Trades Business**, however, no cover is provided for any **Loss** or during taxiing, take off, flight or landing
8. **Business**, however, no cover is provided for any **Loss** or during taxiing, take off, flight or landing;
9. Any **Vehicles** or customer's **Vehicles** or other property owned by **Your** customers except as specifically provided for in **Policy** in Section *4- Motor Combined Risks* and other than to the extent cover is specifically provided under that Section;
10. Livestock, animals, birds or fish;
11. Standing timber, growing crops and pastures;
12. Land, other than structural improvements on or in the land if those structural improvements are not otherwise excluded in this **Policy**;
13. Bridges, canals, tunnels, railway tracks, dams and reservoirs (other than tanks) and their contents;
14. Docks, wharves and piers not forming part of any **Building**;
15. Mining property located beneath the surface of the ground unless otherwise expressly stated in this **Policy**;
16. Property during the course of, and as a result of, its processing or modification;
17. Property in the **Open Air** other than hail nets, textile canopies, awnings and blinds unless such property comprises or forms part of a permanent structure designed to function without protection of walls or roof caused by wind, rainwater or hail;
18. **Vehicles** other than specified **Vehicles** or customer's **Vehicles,** in the **Open Air** caused by hail;
19. Hail **Damage** to **Vehicles** when located at a residential address other than the **Situation** defined in **Your Schedule**.
20. Property forming part of any or under construction, erection, alteration or addition when the value of work to be completed at any one **Situation** at the time of the **Damage** exceeds 10% of the **Limit of Liability** specified for Section 1 or $500,000, whichever is the lesser. This exclusion will apply only to the works comprising such construction, erection, alteration or addition and not to any original or existing structures;
21. Empty **Situation** undergoing demolition; or
22. Any equipment where such **Damage** is caused by a breakdown of the equipment.

RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE

This **Policy** does not cover

a. **Loss** or destruction of or damage to any property whatsoever or any **Loss** or expense whatsoever resulting or arising therefrom or any consequential **Loss**
b. any legal liability of whatsoever nature

directly or indirectly caused by or contributed to by or arising from

a. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
b. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

NMA1622 – 04/04/1968

Communicable Disease

1. This **Policy**, subject to all applicable terms, conditions and exclusions, covers **Losses** attributable to direct physical **Loss** or physical damage occurring during the period of insurance. Consequently and notwithstanding any other provision of this **Policy** to the contrary, this **Policy** does not insure any **Loss**, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
2. For the purposes of this endorsement, **Loss**, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:
   a. for a Communicable Disease, or
   b. any property insured hereunder that is affected by such Communicable Disease.
3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
   a. 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, and
   b. 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 or between organisms, and
   c. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, **Loss** of value of, marketability of or **Loss** of use of property insured hereunder.
4. This endorsement applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

All other terms, conditions and exclusions of the **Policy** remain the same.

LMA5393 – 25 March 2020

Terrorism Exclusion Endorsement

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes **Loss**, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or **Event** contributing concurrently or in any other sequence to the **Loss**.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes **Loss**, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any

action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.
If the Underwriters allege that by reason of this exclusion, any **Loss**, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.
In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
NMA2920 – 08/10/2001

Biological or Chemical Materials Exclusion
It is agreed that this Insurance excludes **Loss**, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or **Event** contributing concurrently or in any other sequence thereto.
NMA2962 – 06/02/2003

Section 1 Property Damage

1.1 Insuring Clause

We will indemnify **You** in respect of **Damage** to **Your Property** occurring during the **Period of Insurance** at **Your Situation**.

1.2 Definitions Applicable to this Section

In addition to the General Definitions, the following definitions also apply to Section 1:

Declared Values
The values of property insured at each **Situation** calculated as applicable in accordance with the **Basis of Settlement**. **You** shall complete a statement of declared values at the commencement of the **Period of Insurance** and as at the end of the **Period of Insurance**.

Your Property

1. the property shown in the **Schedule**
2. the property in the **Situation** in **Your** custody or control
3. the property for which **You** are responsible under any lease, hire, rental or similar contractual agreement,

in connection with the **Motor Trades Business** but excluding commercial loads of customer's **Vehicles**.

1.3 Limit of Indemnity

The maximum **We** will pay under this Section in any one **Period of Insurance** will not exceed

1. The Sum **Insured** on each item in the **Schedule** or
2. The total Sum **Insured** specified in the **Schedule** for the claim; or
3. Any other maximum amount payable or **Limit of Liability** specified in the **Schedule**

You should refer to each Section and **Your Schedule** for specific limits.

1.4 Basis of Settlement

Reinstatement or replacement
We will pay the cost of rebuilding, replacing or repairing any **Damaged** part of **Your Motor Trades Business** property to the same condition as when they were new or to a condition substantially similar to immediately prior to the **Damage**, where appropriate.
On hail nets, textile canopies, awnings and blinds, reinstatement and replacement value for the first 24 months following installation as new. After this time, **We** will pay the reinstatement and replacement value less 10% for each subsequent 12 month period or part of that period.
Motor Trades Business property may be rebuilt or erected at another location and in a manner suitable to **You** provided **You** pay any additional costs to build or erect elsewhere. If the **Motor Trades Business** property is lost or damaged**, You** must commence to rebuild, replace or repair within a reasonable time of the **Loss** or damage, after **Our** consent has been obtained. If **You** do not, **We** will pay no more than the cost that would have been incurred if the work of rebuilding, replacement or reinstatement has been commenced and carried out with reasonable dispatch.

We will also pay up to $5,000 for the necessary and reasonable costs of effecting emergency temporary repairs to protect and make safe **Your Property**, following **Damage** which is the subject of indemnity under this Section.

Floor space ratio index (plot ratio)
Where **Buildings** are **Damaged** and the cost of reinstatement is more than 50% of the cost of reinstatement if the **Buildings** had been totally destroyed and reinstatement of such **Damage** is limited or restricted by:

1. Any Act of Parliament or regulation thereunder; or
2. Any by-law or regulation of any municipal or other statutory authority;

resulting in either case in the reduction of the floor space ratio index (plot ratio) of the site, then **We** shall pay in addition to the amount payable on reinstatement of such **Buildings** the difference between:

1. The actual costs incurred in reinstatement subject to the reduced floor space ratio index (plot ratio); and
2. The estimated cost of reinstatement at the time of **Damage** had the reduced floor space ratio index (plot ratio) not applied.

Provided that **Our** total liability for reinstatement or replacement value, additional costs of compliance and under this 'Floor Space Ratio Index (Plot Ratio)' clause shall not exceed the Sum **Insured** respect of the **Buildings** which are the subject of the claim.

Loss of Land Value
If a competent local or government authority refuses to allow the full reconstruction of the **Situation** following **Damage**, or allows partial reconstruction only, **We** will pay the difference between the **Land Value** before and after the **Damage**.
We will deduct from what **We** pay any amount of compensation payable to **You** by the relevant authority arising out of the action of the authority.
Our liability in respect of **Loss** of **Land Value** is limited to $500,000.

The following provisions apply to this condition:

1. **Our** payment will be made following the ruling of the competent local or government authority resulting in the **Loss** of **Land Value**.
2. If **We** have made a payment to **You** and subsequently the ruling of the competent local or government authority is changed resulting in an increase in the **Land Value**, that part of the claim paid in excess of the revised **Land Value** will be refunded by **You** to **Us**.
3. All disputes relating to **Land Value** will be referred to the decision of two registered valuers, one to be appointed by each of the parties, and if the two registered valuers do not agree, to a third valuer appointed by the President of the Australian Institute of Valuers as an expert whose decision shall be binding.

1.5 Additional Benefits

The following additional benefits apply to this Section. These benefits will only be payable in the event that a claim is paid under this Section. Unless stated otherwise, these additional benefits are included in **Our Limit of Liability** and not in addition to it.

Architects, surveyors, legal and consulting engineer's fees
We will cover **You** for architects, surveyors, legal and consulting engineers, and other fees incurred in the reinstatement or repair of the **Insured Property** under the **Policy** following **Damage**, but not for preparing any claim. The amount payable under each item will not exceed in total its Sum **Insured**.

Clearance of drains
We will cover **You** for costs **You** incur with **Our** consent in cleaning, clearing and/or repairing drains, sewers or gutters for which **You** are responsible as a consequence of **Damage** on the **Situation**.
Maximum: $10,000

Customs, excise and other duties
We will cover **You** for **Your** liability for customs, excise and other duties which **You** become liable to pay in connection with the repair or reinstatement of **Insured Property**.

Director's or Employee's property
We will cover **You** for the replacement cost of **Personal Property** used for the business and belonging to **Your** directors or employees if it is damaged by an **Event** covered under this Section while at the **Situation** during the Period of Insurance.
Maximum: $10,000

Employees tools
We will pay for **Damage** to portable hand tools belonging to **Your Employees** which **You** accept responsibility for and are being used in connection with the **Motor Trades Business**, whilst at the **Situation** (provided the sums insured in the **Schedule** are equal to or more than the value of the tools immediately prior to the damage).
Maximum: $10,000 per **Employee**, $20,000 in total per **Event**.

Exploratory costs
We will cover **You** for the reasonable costs of identifying and locating the source of the **Damage** for which a claim is payable, where such **Damage** is caused by the bursting, discharge, overflowing or leakage from fixed apparatus, fixed appliances, fixed pipes or other systems used to hold or convey liquid of any kind but **We** will not pay for the repair or replacement of such apparatus, appliances, pipes or other systems which give rise to the **Damage**. **We** will not pay for any of these costs if the **Damage** is caused by a **Building** defect, **Building** movement, wear, tear, gradual corrosion, gradual deterioration, Earth Movement or by trees, plants or their roots.
Maximum: $5,000.

Express carriage rates and extra payments
We will cover **You** for the reasonable costs and expenses incurred by **You** for express carriage rates and extra payments for overtime, night, Sunday or holiday working incurred in connection with the repair or reinstatement of **Insured Property**.
Maximum: $2,000

Fire Brigade Damage
We will cover **You** for the costs and expenses reasonably and necessarily incurred in reinstating or repairing landscaped gardens and grounds following **Damage** caused by fire brigade equipment or personnel in the course of combating fire
Maximum: $20,000

Fire extinguishing costs
We will cover **You** for the reasonable costs and expenses incurred in refilling, recharging and replacing any
1. Portable fire extinguishing appliances
2. Local fire suppression system
3. Sprinkler installation
4. Sprinkler heads

as a result of **Damage** insured by this Section. **We** will not cover **You** for any costs and expenses recoverable from **Your** maintenance company or fire and rescue services, or any subsequent costs arising due to the failure of reinstated or repaired trees, shrubs, plants, turf and the like to germinate or become established.
Maximum: $5,000.

Government or authority fees
Any fee, contribution or other impost payable to any government, local government or other statutory authority where payment of the fee, contribution or impost is a condition precedent to the obtaining of consent to reinstate any **Insured Property**, provided that **We** will not be liable for payment of any fines and/or penalties imposed upon **You** by any such authorities.
Maximum: $2,000

Landscaped grounds
We will cover **You** for costs **You** incur with **Our** consent in reinstating or repairing landscaped gardens and grounds following **Damage** to **Insured Property** at the **Situation**.
We will not cover **You** for any subsequent costs arising due to the failure of reinstated or repaired trees, shrubs, plants, turf and the like to germinate or become established.
Maximum: $10,000

Lock Replacement – Other than Vehicles
We will cover **You** for the cost of changing locks or lock mechanisms on doors windows safes and strongrooms at the **Situation** to maintain security following **Theft** of keys from the **Situation** or from **Your** home or the home of any director partner or **Employee** of **Yours**
Maximum: $2,000

Miscellaneous property

Cover for **Buildings** and machinery, plant and all other contents also includes

1. Telephone, gas, **Water** and electrical instruments, meters, piping, cabling and all **Accessories** including similar property within 300 metres of, and pertaining to, the **Situation** insured under the **Policy** and for which **You** are responsible
2. Plant, conveyors, trunk cables, lines, wire, service pipes and other equipment including all supporting structures in the open or adjoining or connected with a **Building(s)**.

Removal of Debris

We will cover **You** for costs and expenses necessarily incurred with **Our** consent in

1. Removing **Debris**
2. Dismantling and/or demolishing
3. Shoring up or propping

of the portion(s) of the **Building(s)** as a result of **Damage**. **We** will not pay for any costs or expenses

1. Incurred in removing **Debris** except from the site of the property destroyed or **Damaged** in the area immediately adjacent to the site
2. Arising from P**ollution and Contamination** of property not insured by this Section

Maximum: The lesser of 10% declared value at **Situation** or $100,000

Temporary protection costs

We will cover **You** for the costs and expenses necessarily and reasonably incurred for the temporary protection and safety of **Insured Property** pending repair or replacement as a result of **Damage** covered by this Section.
Maximum: $100,000

Temporary Removal

We will cover **You** for **Insured Property** other than motor **Vehicles** whilst temporarily removed from the **Situation** for **Motor Trades Business** purposes within the Territorial Limits excluding:

1. Any amount in **Excess** of 10% of the item Sum **Insured** shown in the **Schedule** or $25,000 whichever is the less
2. Property whilst at any exhibition or trade show
3. **Employee's** tools
4. Property in **Vehicles**
5. Property in transit
6. Property which is removed from the **Situation** for more than 90 consecutive days, unless **We** agree a longer period in writing
7. Property which is more specifically **Insured**. *Maximum*: $20,000

1.6 Optional Benefits

Claims Preparation Expenses

We will cover **You** for professional fees and such other reasonable expenses necessarily incurred (with **Our** written consent) by **You** and not otherwise recoverable, for preparation of claims under this Section.1.6

Conditions applying to this Section

The following conditions apply to this Section:

Branded goods

Any salvage of branded goods or merchandise, **You** own or which is held by **You** in trust or on commission, or goods sold but not delivered, will not be disposed of by sale without **Your** consent. If such salvage is not disposed of by sale, then the **Damage** will be assessed at the value agreed between **You** and **Us** after brands, labels or names have been removed by **You** or on **Your** behalf at **Your** expense.

Fire-break doors and shutters

All fire-break doors and shutters must be kept closed except during working hours and be maintained in efficient working order. If **You** fail to comply with this condition **We** may decline a claim in respect of fire

Insurer's rights

On the happening of any **Loss** or damage in respect of which a claim is or may be made under this **Policy**, **We** and every person authorised by **Us** may, without incurring any liability and without diminishing **Our** right to rely upon any conditions of this **Policy**, enter, take or keep possession of any **Building** or **Situation** where the **Damage** has happened and may take possession of or require to be delivered to **Us** any of the **Insured Property** and may keep possession of and deal with such property for all reasonable purposes and in any reasonable manner.

1.7 Exclusions applying to this Section

The following exclusions apply to this Section:

Non-Structural Glass

This Section excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with **Non-Structural Glass**.

Section 2 Business Interruption

2.1 Insuring clause

We will cover **You** for **Your Loss** resulting from interruption or interference with **Your Motor Trades Business** following **Damage** to **Insured Property**, provided such **Damage** is covered under Section 1 – Property Damage.

2.2 Definitions Applicable to this Section

In addition to the General Definitions, the following definitions also apply to Section 2:

Adjustments
Mean the adjustments necessary to provide for the trend of the **Business** and for variations in, or other circumstances affecting, the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred, so that the figures adjusted represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

Annual turnover
Means the turnover of the **Business** (subject to any Adjustments) during the 12 months immediately before the date of the **Damage**.

Indemnity period
Means the period beginning when the **Damage** took place and ending when the **Business** is no longer affected by the **Damage**, or the period shown in the **Schedule**, whichever is the sooner.

Insured Property
1. the property shown in the **Schedule**
2. the property in the **Situation** in **Your** custody or control
3. the property for which **You** are responsible under any lease, hire, rental or similar contractual agreement,

in connection with the **Motor Trades Business** but excluding:
1. **Vehicle**: - **You** should refer to Section 4- 'Motor Combined Risks' for cover relating to **Vehicles**.
2. **Vehicles** financed under **Your Dealer Floor Plan Agreements**: - **You** should refer to Section 4- 'Motor Combined Risks' for cover relating to **Vehicles**, **Stock** of **Vehicles**, and **Customer Vehicles**

Payroll
Means the remuneration (including but not limited to payroll tax, fringe benefits tax, sick pay, bonuses, holiday pay, long service leave, workers' compensation insurance premiums and accident compensation levies, superannuation and pension fund contributions, and the like), paid to or on behalf of all **Employees** employed in the **Business**.

Rate of Gross Profit
Means the rates of **Gross Profit** (subject to any Adjustments) expressed as a percentage, earned on the **Standard Turnover** during the financial year immediately before the date the **Damage**.

Rate of payroll
Means the rate of payroll to turnover (subject to any Adjustments) during the 12 months immediately before the date of the **Damage**.

Shortage in turnover
Means the amount by which the **Turnover** (subject to any **Adjustments**) during a period shall, as a consequence of the **Damage**, fall short of the part of the **Standard Turnover** which relates to that period.

Standard turnover
Means the **Turnover** (subject to any Adjustments) during that period in the twelve months immediately before the date of the **Damage** which corresponds with the **Indemnity Period**.

Turnover
Means the money (less discounts, if any allowed) paid or payable to **You** for goods sold and delivered and for services rendered in the course of the **Business** at the **Situation**.

2.3 Limit of Indemnity

The maximum **We** will pay under this Section in any one **Period of Insurance** will not exceed
1. The Sum **Insured** on each item in the **Schedule** or
2. The total Sum **Insured** specified in the **Schedule** for the claim; or
3. Any other maximum amount payable or **Limit of Liability** specified in the **Schedule**

You should refer to each Section and **Your Schedule** for specific limits.

2.4 Basis of Settlement

Item 1. Gross Profit
The actual **Loss** of **Gross Profit** due to reduction in **Turnover** and increase in cost of working, and the amount payable will be:
1. In respect of reduction of turnover: the sum produced by applying the Rate of Gross Profit to the Shortage in Turnover;
   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 **Turnover** that, but for that expenditure, would have taken place during the **Indemnity Period** in consequence of the **Damage**, but not exceeding the sum produced by applying the **Rate of Gross Profit** to the amount of the reduction so avoided;
2. Less any sum saved during the **Indemnity Period** in respect of the charges and expenses of the **Motor Trades Business** payable out of **Gross Profit** that cease or are reduced in consequence of the **Damage**.

Item 2. Payroll
We will pay for **Your Loss** of **Gross Profit** due to payroll in accordance with the provisions below.
The amount payable is:
1. In respect of **Reduction** of **Turnover**:
   a. During the portion of the **Indemnity Period** beginning with the occurrence of the **Damage** and ending not later than the number of weeks after

that as specified in the **Schedule**, the sum produced by applying the rate of payroll to the **Shortage in Turnover** during the said portion of the **Indemnity Period** less any saving during the that portion of the **Indemnity Period** through reduction in the amount of payroll paid as a consequence of the **Damage**; and

b. During the remaining portion of the **Indemnity Period** , the sum produced by applying the **Rate of Payroll** to the **Shortage in Turnover** during the remaining portion of the **Indemnity Period** less any saving during that remaining portion of the **Indemnity Period** , through reduction in the amount of payroll paid in consequence of the **Damage**; but not exceeding the sum produced by applying the percentage of the **Rate of Payroll** specified in the **Schedule** to the **Shortage in Turnover** during the remaining portion of the **Indemnity Period** , increased by such amount as is deducted for savings under the terms of clause (a) above.

c. At **Your** option, the number of weeks referred to in clause (a) above may be increased to the number of weeks specified in the **Schedule** under the heading consolidated period. However, the amount arrived at under the provisions of clause (b) shall not exceed such amount as is deducted under clause (a) for savings effected during the said increased number of weeks.

2. In respect of increase in cost of working – the additional expenditure described in clause (2) of **Gross Profit** exceeds the amount payable under it, but not more than the additional amount which would have been payable in respect of reduction in **Turnover** under the provisions of clauses (a) and (b) of this clause, had such expenditure not been incurred.

Item 3. Loss of Rent Receivable

We will pay in respect of rent receivable the difference between

1. The rent that would have been receivable for the **Situation** during the Indemnity Period but for the **Damage** and
2. The amount of rent actually received during the same period less any savings in charges or expenses of the **Motor Trades Business** which
   a. Are payable out of rent receivable and
   b. Reduce or cease due to the **Damage**

If at the time of the **Damage** the Sum **Insured** specified in the **Schedule** is less than the rent which but for the **Damage** would have been receivable during the 12 months from the date of the **Damage** (proportionately increased where the maximum Indemnity Period exceeds 12 months) **You** will be **Your** own **Insurer** for the difference and bear a rateable share of the **Loss**.

2.5 Additional benefits

The following additional benefits apply to *this* Section following Damage to **Insured** Property, provided such Damage is covered under Section 1 – Property Damage. These benefits will be payable if a claim is accepted under *this* Section. Unless otherwise stated, these additional benefits are included in **Our Limit of Liability** and not in addition to it.

Closure

We will cover **You** for **Loss** directly or indirectly resulting from interruption of or interference with the **Motor Trades Business** carried on by **You** at **Your Situation**, as a consequence of closing of the whole or part of **Your Situation**, in the **Period of Insurance**, by order of a public authority as a consequence of defects in the drains or other sanitary arrangements at **Your Situation**. *Maximum*: $250,000 for any one **Event** at any one **Situation**.

Prevention of access

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

1. Within 1km of the **Situation** which prevents the use of or access to the **Situation**, whether or not **Insured Property** at the **Situation** is **Damaged**, is deemed to be **Loss** resulting from **Damage** to **Insured Property** at the **Situation** for the purpose of this Section 2; or
2. Within 1km of and forming part of or contained in the complex of which the **Situation** forms part, which results in a cessation or diminution of trade due to temporary falling away of potential custom whether or not **Insured Property** at the **Situation** is **Damaged**, is deemed to be **Loss** resulting from **Damage** to **Insured Property** at the **Situation** for the purpose of this Section 2.

This additional benefit only applies to **Damage** that would have been covered under Section 1 (other than under the additional benefits or optional covers) if such **Damage** had been to property insured under that Section.
Maximum: $250,000 for any one **Event** at any one **Situation**.

Specified Suppliers' and/or Customers' Situation Loss resulting from interruption of or interference with the **Motor Trades Business** in consequence of **Damage** to property at the **Situation**, anywhere in Australia, of **Your** direct suppliers or customers shall be deemed to be **Loss** resulting from **Damage** to property used by **You** at the **Situation**.
The maximum **We** will pay under this optional benefit, in respect of any one **Loss** or series of **Losses** arising out of the one **Event** is the amount of the sub limit shown in the **Schedule** against each specified supplier and/or customer. **We** will not pay for a claim following **Flood**, earthquake or windstorm if an overseas specified supplier cover is shown on the **Schedule**.
Maximum: $250,000 for any one **Event** at any one **Situation**.

Unspecified Suppliers' and/or Customers' Situation

Loss resulting from interruption of or interference with the **Motor Trades Business** in consequence of **Damage** to property at the **Situation** anywhere in Australia of **Your** direct suppliers or customers (other than those named in the **Schedule**) which shall be deemed to be **Loss** resulting from **Damage** to property used by **You** at the **Situation**.
Maximum: $250,000 for any one **Event** at any one **Situation**.

Utilities extension
Loss resulting from interruption of or interference with the **Motor Trades Business** in consequence of **Damage** to property at the **Situation** of the following public utilities in the Territorial Limits from which **You** obtain supplies or services:

a) electricity (including generating stations or substations);
b) gas (including any natural gas producer linked directly therewith);
c) water (including works and pumping stations);

This additional benefit only applies to **Damage** that would have been covered under Section 1 (other than under the additional benefits or optional covers) if such **Damage** had been to property insured under that Section.
However, this will not apply to any **Loss** during the 48 hours immediately following the **Damage**.
Maximum: $250,000 for any one **Event** at any one **Situation**.

2.6 Optional Benefits

If **You** have requested any of the following benefits in **Your Proposal**, and they appear in **Your Schedule** as covered **We** will pay:

Accounts receivable
We will cover **You** for all sums due to **You** from customers that **You** are unable to collect because of **Damage** to records of accounts receivable. **We** will also pay collection expenses in excess of normal collection costs made necessary because of the **Damage** as well as interest charges at the ruling rate of **Your** bank on any loan to offset impaired collections pending repayment of such sums made uncollectible by such **Damage**. If **You** cannot accurately establish the total amount of accounts receivable outstanding as at the date of **Loss**, the amount will be computed as follows:

1. determine the amount of all outstanding accounts receivable at the end of the same fiscal month in the year immediately preceding the year in which the **Loss** occurs;
2. calculate the percentage of increase or decrease in the average monthly total of accounts receivable for the year immediately preceding the month in which the **Loss** occurs, as compared with such average for the same months of the preceding year;
3. the amount determined under 1 above, increased or decreased by the percentage calculated under 2 above, will be the agreed total amount of accounts receivable as of the last day of the fiscal month in which said **Loss** occurs;
4. the amount determined under 3. above, will be increased or decreased in conformity with the normal fluctuation in the amount of accounts receivable during the fiscal month involved, consideration being given to the experience of the **Motor Trades Business** since the last day of the last fiscal month for which statements have been rendered less:
    a. the amounts of such accounts evidenced by records not suffering **Damage** or otherwise established or collected by **You**;
    b. an amount to allow for probable bad debts that would normally have been uncollectible by **You**;
    c. all unearned interest and service charges; and
    d. settlement or term discounts normally allowed.

Additional increase in cost of working
We will pay for the additional increase in cost of working (not otherwise recoverable under this Section) necessarily and reasonably incurred during the indemnity period as a consequence of the **Damage** for the purpose of avoiding or diminishing reduction in turnover or resuming or maintaining normal **Motor Trades Business** operations or services.
The most **We** will pay for **Your** additional increase in cost of working is the **Limit of Liability** set out in the **Schedule** for additional increase costs of working.

Claims Preparation Expenses
We will cover **You** for professional fees and such other reasonable expenses necessarily incurred (with **Our** written consent) by **You** and not otherwise recoverable, for preparation of claims under this Section.

2.7 Conditions

The following conditions apply to Section 2.

Accumulated stocks
In adjusting any **Loss**, account will be taken, and equitable allowances made, if a **Shortage in Turnover** due to the **Damage** is postponed by reason of the **Turnover** being temporarily maintained from accumulated stocks of finished goods.

Alterations and forfeiture
We will not pay any claim under this Section if the **Motor Trades Business** is wound up or carried on by a liquidator, administrator or a receiver or is permanently discontinued.

Books of account
Any particulars or details contained in **Your** books of account or other **Motor Trades Business** books or documents which may be required by **Us** for the purpose of investigating or verifying any claim under this Section must, at **Our** request, be produced and certified by **Your** accountants. An auditors' certificate will be prima facie evidence of the particulars and details to which such certificate relates.

New Business
In the event of **Damage** occurring at the **Situation** before the completion of the first year's trading of the **Motor Trades Business** the terms rate of **Gross Profit**, **Annual Turnover**, **Standard Turnover** and **Rate of Payroll** used this Section will have the following modified meanings:

1. Rate of **Gross Profit** – The rate of **Gross Profit** earned on the turnover during the period between the date of the commencement of the **Motor Trades Business** and the date of the **Damage** (subject to any Adjustments).
2. Annual Turnover – The proportional equivalent, for a period of 12 months of the turnover, realised during the period between the commencement of the **Motor Trades Business** and the date of the **Damage**.
3. Standard Turnover – The proportional equivalent, for a period equal to the indemnity period, for the

turnover realised during the period between the commencement

4. Rate of Payroll – The rate of payroll to turnover during the period between the date of the commencement of the **Motor Trades Business** and the date of the **Damage**.

Salvage sale

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

In respect of reduction in **Turnover**:

The sum produced by applying the **Rate of Gross Profit** to the amount by which the **Turnover** during the **Indemnity Period** (less the **Turnover** for the period of the salvage sale) shall, as a consequence of the **Damage**, fall short of the standard **Turnover**, from which shall be deducted the **Gross Profit** actually earned during the period of the salvage sale.

For this condition, **Shortage in Turnover** means: The amount by which the **Turnover** during a period (less the **Turnover** for the period of the salvage sale) will, as a consequence of the **Damage**, fall short of the part of the **Standard Turnover** which relates to that period, from which will be deducted the payroll paid during the period of the salvage sale.

Turnover elsewhere after Damage

If during the **Indemnity Period** goods are sold or services are rendered other than at the **Situation** for the benefit of the **Motor Trades Business**, either by **You** or by others on **Your** behalf, the amounts received or receivable in respect of those sales or services will be brought into account in arriving at the **Turnover** during the **Indemnity Period**.

2.8 Exclusions

Electrical or Mechanical Breakdown

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with

electrical or mechanical breakdown.

Section 3 Crime & Contingencies

Definitions

The following definitions apply to Section 3
Defined Event means **Damage** to **Insured Property** caused by any person or any member of **Your** family or by any of **Your** employees whilst lawfully permitted to enter, be on or at the **Situation**; or of unattended **Insured Property** in the **Open Air Theft** from any **Building** or **Vehicle** unless the **Insured Property** was securely locked, securely affixed or chained.

3.1 The Cover

We will cover **You** for the following, provided **You** have elected this coverage in **Your Proposal**, and it is listed as **Insured** in **Your Schedule**.

3.1.1 Theft

We will cover **You** for **Damage** to **Insured Property,** provided such **Insured Property** is covered under Section 1 – Property Damage, caused by **Theft** during the **Period of Insurance at Your Situation.** However, under this Section, **We** do not cover **Theft**:

1. By any of **Your Employees**, directors or officers;
2. Of **Money**;
3. Of livestock, animals, birds or fish;
4. Of standing timber, growing crops and pasture;
5. Of jewellery, furs, bullion, precious metals or precious stones other than as **Stock** or merchandise of the **Motor Trades Business;** or
6. **Vehicles**

The most **We** will pay for any one **Event** is $5,000 if there is no monitored burglar alarm in place. If a monitored burglar alarm is in use, the limit increases to the **Limit of Liability** as shown in **Your Schedule**.

Theft – Director's or Employee's property

We will cover **You** for the replacement cost of the following property used for the **Motor Trades Business** and caused by **Theft** in the **Period of Insurance**;

1. **Personal Property** of **Your** directors or **Employees** on the **Situation** at the time of the **Loss** or **Damage**; and
2. Tools of trade belonging to **Your** directors or **Employees** away from the **Situation** at the time of the **Loss** or **Damage**.

Maximum: $10,000.

3.1.2 Money

We will cover **You** against

1. **Loss** of **Money** connected to the **Motor Trades Business** which occurs while
   a. In transit;
   b. At **Your Situation;**
   c. In a bank night safe; or
   d. At the residence of any principal or authorised **Employee** of **Yours**
2. **Damage** to safes or strongrooms caused by unauthorised persons attempting to gain entry to the safe or strongroom,

within the Territorial Limits, up to the **Limit of Liability** as shown in **Your Schedule** for this Section.

The following sub limits apply:

1. Damage to clothing and personal effects belonging to **You** or any **Employee** of Yours caused by robbery or attempted robbery occurring in the course of the Motor Trades Business, subject to a limit of $500 in respect of any one person.
2. Money located outside of business hours and not stored in a safe, subject to a limit of $2,000 in respect of any one **Event**.

The coverage for money under this section is subject to a combined sublimit, chosen by **You**, which means that the total amount **We** will pay for any **Loss** involving money, for any one **Event**, will not exceed the combined sublimit stated in **Your Schedule**.

3.1.3 Non-Structural Glass

We will cover **Damage** to **Non-Structural Glass** caused by an **Event** covered by this Section during the **Period of Insurance**. Cover under this optional cover is limited to:

1. The cost of repairing or replacing **Damaged Glass**;
2. Removing and re-fixing of windows and show-case frames and fittings;
3. Heat reflecting material or process on **Glass**;
4. Replacement burglar alarm tapes on **Glass**;
5. Temporary shuttering or security service hire while awaiting replacement of **Damaged Glass**;
6. Frames, Tiles and **Stock Damage** (as a result of **Loss**); and
7. Signwriting and ornamentation on **Glass**.

The maximum amount We will pay under this Section for items 5, 6, and 7 is $10,000.

Cover under this section does not include:

1. **Structural Glass Damage**;
2. Scratches, chipping, or gradual deterioration that does not impact the integrity of the **Glass**;
3. Damage caused by faulty installation, design defects, or manufacturing faults
4. Costs associated with upgrading **Glass** to comply with changes in regulations or standards unless required by law
5. Unexplained breakage or **Glass** damaged due to wear and tear, corrosion, or inherent defects

Reinstatement or Replacement

(Applicable to **Non-Structural Glass**). Where 'reinstatement or replacement' basis of settlement is shown in the **Schedule**, this cover extends to include the extra cost of reinstatement (including demolition or dismantling) of **Damaged Insured Property** necessarily incurred to comply with the requirements of any Act of Parliament or Regulation made under an Act or by law or the Regulation of any Municipal or Statutory Authority, subject to the following provisions and subject also to the terms, conditions and sums **Insured** of this Section. Provided that:

1. The work of reinstatement, must be commenced and carried out within a reasonable period, failing which **We** will not pay more than the amount which would

have been payable under the **Policy** if the work of reinstatement had been commenced and carried out with reasonable dispatch;

2. The work of reinstatement may be carried out wholly or partially upon any other site, if the requirements of the Act, Regulation or By-law necessitate it, subject to **Our** liability not being increased;
3. **Our** total liability under this clause 'Extra cost of reinstatement' will be limited to:
   a. The **Limit of Liability** shown in the current **Schedule** for 'Extra cost of reinstatement' shall be in addition to the Sum **Insured** for **Insured Property**; or
   b. If no such sub-L**imit of Liability** is stated, and the replacement cost of the **Damage** to **Insured Property** is less than fifty percent (50%) of the full replacement cost of the **Insured Property**, **Our** liability shall be limited to the extra cost necessarily incurred in reinstating the **Damaged** property only;
4. The amount recoverable shall not include the additional costs incurred with complying with any such Act, Regulation or By-law or requirement with which **You** have been required to comply prior to the happening of the **Damage**.

3.1.4 Employee dishonesty

We will cover **You** for **Loss** of **Insured Property** belonging to **You** or for which **You** are responsible, caused by dishonesty committed by an **Employee** during the **Period of Insurance**.

We will pay **You**, at **Our** discretion, the lesser of the:

1. **Actual cash value** of any **Money**; or
2. Cost of repairing or replacing goods with any property or material of like quality and value. **We** may, with **Your** consent, settle any claim for **Loss** or **Damage** to goods directly with their owner. However:
   a) **We** will not pay more than the limit of indemnity shown in the **Schedule** for any one **Employee** and for any **Loss** that arises out of the act or acts of any one **Employee** or for which that **Employee** is concerned or implicated by acting in concert with any other person. The limit of indemnity for any one **Employee** shown in the **Schedule** under this Section will be reduced by the total of any claims payable by **Us** for **Losses** resulting from the fraudulent or dishonest conduct of that **Employee** in any period before the current **Period of Insurance**;
   b) For all **Losses** suffered during the **Period of Insurance**, **We** will not pay in total more than the limit of indemnity shown in the **Schedule** for all **Employees**.
   c) For **Insured Property** other than **Money**, after payment for any lost property, that property, if recovered will belong to **Us** subject to **Your** right to reclaim it upon repayment of any amount paid by **Us**;
   d) For **Money**, any recovery made either by **You** or by **Us** after settlement of the claim will first be applied to any uninsured **Loss** borne by **You**.

Additional Covers

We will also pay for:

1. The fees payable by **You** to **Your** auditors to quantify any **Loss** covered by this additional benefit; and
2. Other costs, charges and expenses reasonably and necessarily incurred by **You** in connection with the preparation of a claim covered for **Employee** dishonesty

The following conditions apply:

1. This Section extends to cover alterations or additions to **Your** staff from the date of each alteration or addition subject to **You** providing, at **Our** request, a statement showing the total number of **Employees** and the categories required to ascertain and adjust the **Premium** and **You** paying any adjusted **Premium** to **Us**.
2. If **You** are unable to designate the specific **Employee** causing the **Loss**, **Your** claim in respect of such **Loss** shall not be invalidated by **Your** inability to do so, provided that the **Loss** was in fact due to an act of fraud or dishonesty committed during the **Period of Insurance** by one or more of the **Employees**.
3. If this **Policy** supersedes any similar **Policy** previously held by **You**, then this additional benefit will apply to any **Loss** which is **Discovered** by **You** during the **Period of Insurance** (or within 12 months after the end of it) and which would have been recoverable by **You** under such prior **Policy** but for the fact that the time allowed under that **Policy** for the **Discovery** of that **Loss** had expired, but only if that **Loss** would have been covered under the terms of this additional benefit had it been in force when the act of fraud or dishonesty resulting in the **Loss** was committed.
4. Any person who ceases to be **Your Employee** will be considered as being an **Employee** for the purposes of this Section for a period of 12 months after such person ceased to be an **Employee**.
5. **You** must institute or maintain and continue to employ, in every manner, all such systems of check and control, accounting and clerical procedures and methods of conducting the **Motor Trades Business** as is reasonable in the circumstances or has been represented to **Us,** however, **You** may change the remuneration, conditions of service, duties and position of any **Employees**. Cover under this option will not be invalidated in the **Event** of a breach or noncompliance with this condition if such breach or non-compliance occurs without the knowledge or consent of **Your** officer responsible for insurance.
6. **You** must, to the extent allowed by law, retain all salary, commission, **Moneys** or assets or the property of any **Employee** in respect of whom a claim is made which may be in or come into **Your** hands or under **Your** control and apply the same towards making good the amount of any default due to acts covered under this option.
7. However, if the **Total Loss** to **You** exceeds the amount recoverable under this item, that retention shall be applied first to the uninsured portion of the **Loss**.
8. In the **Event** of the **Discovery** by **You** of any **Loss** or **Damage** involving suspected fraud or dishonesty by

an **Employee**, **You** must notify **Us** in writing of such **Loss** but may, regardless of anything to the contrary in this **Policy**, refrain from reporting the matter to the police unless otherwise requested by **Us** to the contrary.

If **You** do not comply with the above conditions, any claim arising from **Employee** Dishonesty will not be covered as these conditions are inherent requirements of **Your** cover.

3.1.5 General Property

We will pay **You** in accordance with the **Basis of Settlement** if any of the **Insured Property** is **Damaged** by a **Defined Event** during the **Period of Insurance**, up to the **Limit of Liability** shown in **Your Schedule** within the Territorial Limits.

3.1.5.1 Basis of Settlement (General Property)

The **Basis of Settlement** will be:

1. Where **Damage** to **Insured Property** can be repaired, the reasonable costs of restoring the **Damaged** item to its former working order. If **You** complete the repairs in **Your** own workshop **We** will pay the reasonable cost of materials and wages as well as a reasonable allowance to cover the overheads.
2. Where a **Damaged** item is not repaired:
   a. for items that could not be repaired, the actual value of the item immediately before the **Damage**; or
   b. for items that could be repaired but have been replaced, the estimated cost that would have been incurred for necessary repairs to return the **Damaged** item to its former state of serviceability.

Maximum: $2,000 for any one item that is not specified.

3.2 Limit of Liability

The most **We** will pay under any of the cover options in this Section is the **Limit of Liability** set out in **Your Schedule** for the specific cover selected by **You.**

3.3 Conditions

The following conditions apply to Section 3:

Branded goods

Any salvage of branded goods or merchandise, **You** own or held by **You** in trust or on commission, or goods sold but not delivered, will not be disposed of by sale without **Your** consent. If such salvage is not disposed of by sale, then the **Damage** will be assessed at the value agreed between **You** and **Us** after brands, labels or names have been removed by or on **Your** behalf.

3.4 Exclusions

This **Policy** excludes **Loss**, damage, liability, cost, or expense caused by or resulting from:

1. the cleaning, maintenance, overhaul, repair or renovation, alteration, addition or undergoing a trade process;
2. wear and tear, fading, gradual deterioration or developing flaws, normal upkeep or making good, or any gradual cause;
3. moths, termites or other insects or vermin;
4. scratching, biting or chewing by any animal;
5. chipping, scratching, denting or marring that does not materially affect the use or operation of the **Insured Property**;
6. change in colour, **Loss** of weight, change in flavour, texture or finish;
7. the action of light, atmospheric conditions, any form of fungus or extremes of temperature, rust or oxidation, wet or dry rot, corrosion, inherent vice or latent defect;
8. mechanical, hydraulic, electrical or electronic breakdown, burnout, failure, malfunction or derangement of any equipment or device;
9. soot or smoke from industrial operations (other than sudden and unforeseen resultant damage);
10. any faults or defects in any item of **Insured Property** that **You** or any of **Your** employees knew or should reasonably have known about before taking out cover under this **Policy** Section;
11. unexplained inventory shortage, disappearance resulting from clerical or accounting errors, or shortage in the supply or delivery of materials;
12. testing, experimentation, intentional overloading, misuse or abuse;
13. cracking, scratching or breakage of **Glass** or fragile items unless as a consequence of **Loss** or damage;
14. fraud or dishonesty by **You** or any other person;
15. detention, confiscation or disappearances by Customs or any lawful authority;
16. the sea, including tidal wave, tsunami, storm surge or high water;
17. faulty materials or faulty workmanship.
18. money or documents of any kind;
19. tools of trade, sporting equipment, any remote controlled devices, guns or musical instruments while they are in use

Section 4 – Motor Combined Risks

Definitions

These Definitions apply to all parts of Section 4.

Test drive/Demonstration
Means use of **Your Vehicle** by **You** or by any other person with **Your** permission solely for the purpose of conducting a short-term road test on public roads (gazetted roads) prior to sale or purchase. This coverage applies only while the **Vehicle** is being operated on the road for the purpose of evaluating its performance for sale or purchase and does not extend to any use of the **Vehicle** outside of road testing, including but not limited to off-road or non-driving purposes.

Third Party Property Damage (TPO) Coverage for Specified Vehicles
When Third Party Property Damage (TPO) is noted as being applicable to a specified **Vehicle** in **Your Policy Schedule**, it means that **We** provide coverage for legal liability arising from **Damage** caused to third-party property by the specified **Vehicle(s)** during the **Period of Insurance**. TPO refers to the indemnity for **Loss** of or **Damage** to property belonging to third parties as a result of an accident involving **Your Vehicle(s)**.
This coverage applies exclusively to the **Vehicle(s)** listed in the **Policy Schedule**, subject to the terms, conditions, and exclusions of this **Policy**, and is limited to **Damage** caused by **Vehicles** only.
What is not covered:

1. **Damage** to **Your Vehicle** or property owned by **You** or in **Your** care, custody, or control.
2. Liability arising from the use of **Your Vehicle** for purposes not permitted under this **Policy**.
3. **Damage** caused by anything other than a **Vehicle**, including but not limited to damage caused by persons, animals, or other objects.

Section 4.1 – Motor Composite

4.1.1 The Cover

We will cover **You** for damage to the insured **Vehicle** caused by an insured **Event** occurring during the Period of Insurance, at the specified **Situation** noted in **Your Schedule** or anywhere within Australia, provided the **Vehicle** is used for the purpose of use outlined in the **Schedule**, subject to the terms and conditions of the **Policy**.

Insured Events
We will cover **You** for:

1. **Accidental Damage**, including **Damage** caused by storm or earthquake; and
2. Malicious **Damage,**

provided the Damage occurs whilst **Your Vehicle** is being used in accordance with the Purpose of Use and is caused by an **Accident** during the **Period of Insurance**.

Fire and Theft

1. Fire, self-ignition, lightning or **Explosion**
2. **Theft** or attempted **Theft** including the reasonable cost of Protection and removal to the nearest repairers, and Delivery to the **Situation** after repair.

If to **Our** knowledge the **Insured Vehicle** is subject to a hire purchase, leasing or contract hire agreement **We** will pay any outstanding amount due to the owner described in the agreement first with any balance being paid to **You**.

Contribution to repair work
You, **Your** customer or the owner of the **Customer Vehicle** may have to contribute to the cost of replacing or repairing tyres, engines, **Accessories**, paintwork, bodywork, radiators, batteries, interior trims, or caravan annexes affected by wear and tear or rust and corrosion. How much that is required to be paid will depend on how worn **We** consider these items were when the **Damage** happened. If **You**, **Your** customer or the owner of the **Customer Vehicle** do not agree to pay these amounts, **We** will pay the reasonable repair cost less reasonable contribution charges. **We** will subtract any **Excess** that may apply.

4.1.2 Limit of Liability

The following limits apply:

1. **Damage** to **Your Vehicle** (excluding hail and **Flood**), including **Fire and Theft**. The most **We** will pay for **Damage** to **Your Vehicle** is the lesser of:
   a) The amount shown and declared in **Your Schedule**;
   b) The **Stock Card** value of the **Vehicle**; or
   c) The **Market Value** of the **Vehicle**
2. The maximum **We** will pay for **Your Vehicle** is the maximum limit any one **Vehicle** specified in the **Schedule**. **Damage** caused by hail to **Your Vehicle**(s) away from the static location that is not a **Total Loss**:
   a. If **You** do not repair the **Vehicle**, **We** will pay the lesser of the **Stock Card** value of the **Vehicle**, the **Market Value** of the **Vehicle**, or the amount shown in **Your Schedule**.
   If **You** do repair the **Vehicle**, **We** will pay the lesser of the cost to repair the **Vehicle** or the **Market Value** of the **Vehicle** immediately prior to the Damage. The maximum **We** will pay for any **Event** is the **Limit of Liability** specified in the **Schedule**.
3. **Legal liability (arising under Extension 4.3)** the most **We** will pay for all claims arising from any one **Accident** is the **Limit of Liability** set out in the **Schedule**, only where the **Vehicle** is shown in the **Stock Card.**

4.1.3 Additional benefits

The following additional benefits apply to this Section. These benefits will be payable if a claim is paid under this Section. Unless stated otherwise, these additional benefits are included in the **Limit of Liability** and not in addition to it.

Accommodation and Travelling Expenses

If **Your Vehicle** is on a journey and:

1. suffers **Accidental Damage** and is unable to be driven; or
2. is lost by **Theft** and not found within a reasonable time;

We will pay the reasonable cost for essential temporary accommodation expenses incurred by **You** to complete the journey or return to the point of departure.
Maximum: $500 for any one **Event** unless such other amount is specified in the **Schedule**.

Dangerous Goods

We will cover **You** if **Your Vehicle** is being used for, or in connection with, the transportation, storage, loading or unloading of Dangerous Goods (as defined in the Australian Dangerous Goods Code), provided the method of transportation complies with the Australian Dangerous Goods Code and all other legislative and regulatory requirements.
Maximum: $100,000 each **Event** unless such other amount is specified in the **Schedule**.

Exhibition Sites

We will cover **You** for **Damage** to **Insured Property** whilst at any exhibition within Australia where **You** are exhibiting goods for a period which does not exceed seven days duration in the course of demonstration, construction, erecting or dismantling at any such exhibition. **We** will not indemnify **You** in respect of **Damage** caused by **Theft** or attempted **Theft** from an unattended **Vehicle** (being any **Vehicle** with no person in charge or keeping the **Vehicle** under observation and able to observe or prevent any attempt by any person to interfere with the **Vehicle**) unless all keys, key cards or remote control transmitter are removed from the **Vehicle** and the **Vehicle** is securely locked at all points of access and any additional locking devices immobilisers or alarms be in operation where fitted by the manufacturer or a professional

Hail

We will cover **You** for Damage to **Vehicles** caused by hail during the Period of Insurance, whilst they are not located at **Your Situation** and are being used in accordance with the Purpose of Use subject to the following:

1. **Customer Vehicle(s)**: **We** will provide coverage for hail damage to **Customer Vehicles** with an aggregate sublimit of $50,000 for all customer **Vehicles** within a 24-hour period.
2. **Stock Vehicle(s)**, **Storage of Vehicle(s)**: **We** will provide coverage for Hail damage to **Stock Vehicles**, or **Storage of Vehicles** with an aggregate hail sublimit of $30,000 per **Event**.

We will not cover **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with Motorhomes, Caravans, or **Watercraft** (marine) damaged by Hail.

Loan Vehicles

If it is **Your** practice to provide loan **Vehicles** (with or without consideration) to selected customers where that customer owns a **Vehicle** which has been left with **You** for service or repair, then **We** agree to cover such loan **Vehicles**, as if they were **Your Vehicle**.

The following conditions apply to this additional benefit:

1. **You** must satisfy **Yourself** that the customer possesses a valid driver's licence appropriate for the **Vehicle**;
2. **You** must obtain a clear copy of the borrower's current and valid driver's license, as well as one other form of identification from the following options: a credit card, Medicare card, age card, or a copy of a bill showing the borrower's address. Both forms of identification must be verified by **Your** staff; and
3. Record and retain full and complete details of the driver.

Cover for loan **Vehicles** is limited to a radius of 100 kilometres from **Your Situation.**

Lock and Keys Replacement - Vehicles

We will cover **You** for the cost of replacing locks, entry key and transponders ignition and steering locks that can be opened or operated with the lost items to maintain security following **Theft** of keys

Maximum: $15,000.

We will not be liable unless

1. **You** inform the Police of the **Loss** as soon as it is **Discovered**
2. There is a reasonable belief that such keys and transponders are in the possession of a person other than **You** and the person will know the identity and location of the **Vehicles**

Residential Dealership Clause – Attempted Theft/Theft

If **You** operate as a dealership from a residential **Situation**, and that residential **Situation** is listed in **Your Schedule** as being insured, the "Vehicles for Sale, or **Storage** (Bollards / Perimeter Fencing)" condition does not apply in respect of attempted **Theft** or **Theft**. For any **Loss** or damage resulting from attempted **Theft** or **Theft** of **Vehicles** stored at **Your Situation**, **We** will pay up to the sum insured or $50,000, whichever is the lesser of the two. The maximum amount payable under this clause for any one **Event** is $50,000, regardless of the number of **Vehicles** affected. Standard per-**Vehicle Excesses**, as noted in **Your Schedule**, will apply.

Motorcycle(s) for Sale or Storage

Where there are Motorcycles or similar **Vehicles** held for sale or storage, **We** will pay up to the sum insured or a maximum sublimit of $20,000 for any one **Event**, whichever is the lesser, subject to the maximum limit any one **Vehicle** noted in **Your Schedule**.
This sublimit applies regardless of the number of motorcycles affected in any one **Event**. Standard per-**Vehicle Excesses**, as noted in **Your Schedule**, will apply.

Watercraft for Sale or Storage

Where there are **Watercraft** or similar **Vehicles** held for sale or storage, **We** will pay up to the sum insured or a maximum sublimit of $20,000 for any one **Event**, whichever is the lesser, subject to the maximum limit any one **Vehicle** noted in **Your Schedule**.
This sublimit applies regardless of the number of watercraft affected in any one **Event**. Standard per-**Vehicle Excesses**, as noted in **Your Schedule**, will apply.

Signwriting clause
We will cover **You** for any **Damage** to signwriting and artwork on **Vehicles** where reinstatement is required
Maximum: $1,000 each **Event**

Towing and storage
We will cover **You** for the reasonable cost of protection, removal and towing of **Your Vehicle** to the nearest repairer, place of safety or any other place which **We** agree to.
Maximum: $50,000.

Trailers
Cover under this Section is extended to apply to the following, as if they are **Your Vehicle**:
1. **Your** 2-wheel box, boat or similar trailer (but not a caravan);
2. **Your** motorcycle trailer or sidecar; or
3. Any trailer or drawn implement.

We will not pay for **Damage** or liability to or caused by:
1. property being carried in or on the trailer, drawn implement or sidecar;
2. tarpaulins, gates and binders; or
3. If more than one trailer, drawn implement or sidecar is attached to **Your Vehicle**. This additional benefit does not apply to any **Vehicle** being towed by **Your Vehicle**.

Test Drive/Demonstrating, Delivery, and Collection
We will insure as if they were **You**, any person who is driving **Your Vehicle**, with **Your** consent, for the purpose of **Test Drives/Demonstrating**, collecting, delivering, on any public or private **Road**, thoroughfare or **Your Situation**.
The following conditions apply:
1. **You** must clearly identify that the borrower possesses a current, valid driver's license applicable for the **Vehicle**; and
2. **You** must obtain a clear copy of the borrower's current and valid driver's license, as well as one other form of identification from the following options: a credit card, Medicare card, age card, or a copy of a bill showing the borrower's address. Both forms of identification must be verified by **Your** staff
3. The **Vehicle** must not be driven beyond a 100km (kilometre) radius from **Your Situation**, except for the collection and delivery of **Vehicles**, which must be strictly for **Motor Trades Business** use only.
4. For **Your Stock Vehicles**: -
   a. Accompanied Test Drive – **You**, or a responsible employee of **Your** staff must accompany the borrower and **You**, or the employee must not voluntarily leave or vacate the **Vehicle** without retaining possession of the **Vehicle**'s keys; or
   b. Unaccompanied test drive – If **You** choose to allow a customer to test drive **Your Vehicle** without **Yourself**, or a responsible employee of **Your** staff, **You** must obtain and verify both a clear copy of the borrower's current and valid driver's licence and one additional form of identification (a credit card, Medicare card, age card, or a bill displaying the borrower's address).

   If these requirements are not met, cover may not apply. An additional **Excess** of $5,000 applies in addition to all other applicable **Excesses**.

Specified Vehicles
Each **Vehicle** listed as a *Specified Vehicle* in **Your Schedule** is insured only when used in accordance with its nominated *Purpose of Use*. The Purpose of Use applicable to each Specified Vehicle will be stated in the **Schedule** and means one of the following:
a) Private Use – where the Specified Vehicle is not used in connection with earning an income, or is only driven to and from work or occasionally in connection with work;
b) Goods Carrying / Trade Use – where the Specified Vehicle is registered for Business or used in connection with a recognised trade;
c) Business Use – where the Specified Vehicle is registered for Business or used in connection with **Your** occupation or in relation to **Your** Business in a way not otherwise described above.

4.1.4 Exclusions

Damage to tyres
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with **Damage** to tyres or wheel rims due to application of brakes, side slips, cuts, bursts or punctures or otherwise resulting from any cause other than an **Accident** involving the **Insured Vehicle**.

Deception
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with deception, false pretences or a **Loss** by **Theft** committed by a Bailee, **Your** employee, a customer (including and not limited to any buying or selling transactions), or any person **You** have entrusted the **Vehicle** to.

Age & Non-Employee Exclusion:
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with an **Event** where:
1. The **Vehicle** Value exceeds $100,000 and the driver is under the age of 25; or
2. The **Vehicle** Value exceeds $200,000 and the driver is under the age of 30; or
3. The **Vehicle** is used for Personal Use and the value of the **Vehicle** exceeds $200,000; or
4. The **Event** occurs beyond a 150km radius from **Your Situation**, and the **Vehicles** value exceeds $200,000, unless the **Vehicle** is being used for delivery or collection purposes; or
5. The **Vehicle** is operated or driven by a person who is not considered an Employee or Director, unless that person is:
   a) Listed as a 'non-employee driver' on **Your Schedule**; or
   b) A customer test driving the **Vehicle**; or

c) Driving a Vehicle listed as a Specified Vehicle on Your Schedule; or
d) A sub-contractor whom **We** have agreed in writing to cover as if they were **Your** Employee.

Driving Under the Influence of Drugs/Alcohol
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with **Damage** incurred while **Your Vehicle** is being driven by or in the charge of any person (including **You**):

1. Whose faculties are impaired by or who is under the influence of alcohol or drugs, or alcohol and drugs;
2. Who is convicted of driving or being in charge of such **Vehicle** while under the influence of alcohol or drugs or alcohol and drugs; or
3. In whose breath or blood the concentration of alcohol equals or exceeds that prohibited by the law applicable in the State or Territory at the time when the **Accident** which would otherwise give rise to a claim under this **Policy** occurred, as indicated by analysis of the person's breath or blood; or
4. who fails or refuses:
   a. To provide a specimen, or sample of breath for analysis by a breath analysing instrument;
   b. To provide a specimen or sample of blood for a laboratory test or blood test; or
   c. To comply with a direction or requirement of a member of the police force or other authorised person as to the provision of a specimen or sample of breath for analysis by a breath analysing instrument, a specimen or sample of blood for a laboratory test or blood test, where such specimen or sample is sought or such direction or requirement is made to ascertain the concentration of alcohol or drugs in such person's breath or blood while the **Vehicle** was being driven by or in the charge of such person. However, any exclusions in the above paragraphs 1, 2 or 3 do not apply if:
      1. There is any relevant statutory provision to the contrary or to the extent that there is any statutory provision which allows for an election by a person as to the specimen or sample such person may provide or which exempts a person from providing any specimen or sample but only to the extent of such election or exemption; or
      2. **You** prove that **You** did not consent to the **Vehicle** being either driven by or in the charge of any such person (if that person was not **You**).

Faulty Workmanship
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with the cost of reinstating, repairing, replacing, performing, completing, correcting or improving any work done or undertaken by **You** or on **Your** behalf.

Jump Starting a Vehicle
This **Policy** excludes liability for **Loss**, damage, or injury arising directly or indirectly from the act of jump starting a **Vehicle**, where such activity is undertaken by the insured or their employees in the course of their business activities.

Hire or Reward
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with a **Vehicle** used for carrying passengers for hire or reward, except for a private pooling arrangement or when **You** receive a travelling allowance from **Your** full-time employer.

Hire Car
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with the provision of a hire car to **You** following an accident, or while awaiting the repair or replacement of **Your Vehicle**. In the event of an accident involving **Your Vehicle**, no cover will be provided for the cost of hiring a replacement **Vehicle** for **You**, regardless of the circumstances or fault.

Illegal Purpose
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with a **Vehicle** used for any illegal purpose with **Your** consent.

Overloaded Vehicle
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with a **Vehicle** used to carry or tow a load or carry passengers greater than that for which **Your Vehicle** was constructed.

Personal Injury
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with Personal Injury.

Property Damage to Vehicles other than Your Vehicles Racing
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with an **Accident**, injury or **Damage** occurring while the insured **Vehicle** is being used in the participation of sport, racing, speed tests, or similar high-speed activities.

Seizure of Vehicle
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with **Damage** after **Your** legal interest in **Your Vehicle** ceases, or **Your Vehicle** is seized or taken possession of by any persons lawfully entitled to do so.

Attempted Theft/Theft of Vehicles
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with:

1. **Vehicles stolen** by any of **Your** employees, directors or officers or anyone legally authorised on the **Situation.**
2. Attempted **Theft**, **Theft** of **Vehicles** resulting from or involving the use of the **Vehicle**'s own key (whether the operation and/or ignition of the **Vehicle** is by the use of a manual key or keyless process).

However, this exclusion will not apply if the **Vehicle**'s key is locked within an approved key safe and is obtained by violent and forcible means; or the **Vehicle**'s key is obtained by violence or force, or threat of violence or force, to **You**, a bailee, **Your Employee** or customer.

Test and Demonstration Vehicles
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with Damage following Attempted **Theft**, or **Theft** of a **Vehicle**. However, this exclusion will not apply where:

1. Accompanied Test Drive – **You**, or a responsible employee of **Your** staff has accompanied the borrower and **You**, or the employee did not voluntarily leave or vacate the **Vehicle** without retaining possession of the **Vehicle**'s keys; or
2. Unaccompanied Test Drive – **You**, or a responsible employee has obtained and verified both a clear copy of the borrower's current and valid driver's licence and one additional form of identification (a credit card, Medicare card, age card, or a bill displaying the borrower's address).

Trailers
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with damage caused or contributed to by exceeding the legally permitted number of trailers attached to **Your Vehicle**.

Unroadworthy Condition
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with **Vehicle** being used in an unroadworthy or unsafe condition. However, **We** will cover **You** if the condition could not reasonably have been detected by **You**, or if the Damage or liability was not caused or contributed to by the unroadworthy or unsafe condition.

Vehicle used on rails
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with a **Vehicle** being operated or driven on rails or tracks at the time of **Accident**.

4.1.5 Conditions

The following conditions apply to this Section. If **You** do not carry out or maintain these minimum standards, **We** may reduce or refuse to pay a claim or may cancel this **Policy**.

At the Accident scene
You must do the following at the scene of any **Accident**:

1. Notify the police: If there is serious **Damage** to property, including the **Vehicles** involved, or if any person is injured.
2. Obtain full details: If possible, record the full particulars of any other **Vehicles** involved - registration number, year, make, model, full name and address of driver and registered owner and licence details, and other person's insurance company, date and time of **Accident**.
3. Admit nothing: Do not make any admission of liability or offer to pay for any **Damage**, otherwise **You** will violate the conditions as laid out in **Your Policy**.
4. Seek witnesses: If possible, obtain the name, address and telephone number of all witnesses.
5. Take steps to protect and safeguard the **Vehicle** and retain any salvage.

Failure to comply with these conditions may affect the amount that **You** may be able to claim.

After the Accident
You must**:**

1. Provide **Us** with full details: As soon as possible after the **Accident**, supply **Us** with full details in writing. **You** are also required to send any correspondence from other parties to **Us,** as well as any notice of impending prosecution or details of any inquest or official inquiry.
2. Do not authorise repairs (including windscreen or **Glass** breakage) without **Our** prior written consent.
3. Do not take legal action: **We** will attempt to recover any outstanding debt resulting from an **Accident**, and if circumstances warrant, may elect to undertake **Your** defence in any court and represent **You** at any inquest or official inquiry, provided **You** have complied with the terms of the **Policy**.

Failure to comply with these conditions may affect the amount that **You** may be able to claim.

Non-Standard Parts / Accessories / Repairs / Spray Painting
For **Vehicles** with non-standard parts / accessories / repairs / spray painting, the maximum payment **We** will make would be the cost of a standard part / accessory / spray painting unless specifically noted in the **Schedule**.

Prevention of Loss or Damage
You must take all reasonable precautions to secure **Your Vehicle** or **Customer Vehicle** against unauthorised entry when it is unattended. If **You** do not carry out or maintain these minimum standards, **We** may reduce or refuse to pay a claim.

Valid License
All drivers (including but not limited to **You**, **Employees, Customers, contractors) and** must hold valid, current, and appropriate licenses for tasks they carry out for **You** or at **Your** request. It is **Your** responsibility to actively ensure these licenses are at all times valid. This **Policy** will not respond where drivers do not have an adequate license.

Vehicles for Sale, or Storage (Bollards / Perimeter Fencing)
Vehicles must be kept within the property boundary (inside bollards / locked, enclosed perimeter fencing) of the **Situation** after Motor Trades Business hours, when not trading, or when the Motor Trades Business is closed. This exclusion does not apply to **Vehicles** that are not at the Motor Trades Business **Situation** for Motor Trades Business purposes, where they are in the care, custody, and control of another business.

Section 4.2 – Inland Transit

4.2.1 The cover

We will cover **You** for **Damage** to **Insured Property** occurring during the **Period of Insurance** whilst being carried anywhere within Australia including whilst

1. Loading and unloading
2. Temporarily stored in or on a **Vehicle** during transit.

We will not cover any period of time during which the **Insured Property** is in storage either overnight or otherwise, other than in the ordinary course of transit, except as otherwise provided in this Section.

The term "ordinary course of transit" is extended to include the following:

1. Whilst in any packer's **Situation** for the purpose of packing;
2. Whilst at any exhibition or display (other than in **Your Situation**);
3. Any period where the **Insured Property** is 'shut out' from the conveyance or intended destination; and
4. Any **Insured Property** which has been 'over-carried', until returned to the place of destination.

General average and salvage clause:

1. **We** will pay general average and salvage charges payable by **You** up to the **Limit of Liability**. It is a condition of this additional benefit that all **Insured Property** is **Insured** for not less than the amounts payable under this **Policy** for that property.

4.2.2 What We cover

We will calculate the amount **We** will pay for a claim under this Section as follows:

1. For **Vehicles**, the invoice value plus any freight charges payable.
2. For parts and **Accessories**, the invoice value plus any freight charges payable.
3. Where **Insured Property** has been **Damaged** and can be economically repaired, **We** will pay the cost necessary to reinstate or repair the **Damaged** Property to a condition substantially the same as, but not better or more extensive than, its condition at the time of the **Damage**.

4.2.3 Limit of Liability

Our liability under this Section shall not exceed the limits stated in **Your Schedule** or any limit specified in any extension to this Section arising out of any one **Event** at any one **Situation**, to any one load or combination of loads of **Insured Property** in transit. **We** will not pay more than a maximum of $250,000 per **Vehicle**.

4.2.4 Additional benefits

The following additional benefits apply to this Section. Unless stated otherwise, cover under these additional benefits is included, and not in addition to, the **Limit of Liability**.

Extra costs and expenses

We will indemnify **You** for costs and expenses reasonably incurred by **You** with **Our** consent

1. In transferring the **Insured Property** to any other **Vehicle** or trailer or delivering such property to its original destination or returning to its place of dispatch consequent upon collision or overturning of the conveying **Vehicle** or trailer up *Maximum*: $5,000 any one claim
2. The reloading of **Insured Property** to the conveying **Vehicle** or trailer following accidental discharge *Maximum*: $5,000 any one claim
3. The removal of **Debris** and site clearance following **Damage** to **Insured Property** *Maximum*: $10,000

4.2.5 Exclusions

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with:

1. Defective or inadequate packing insulation or labelling delay inadequate documentation disappearance or unexplained or inventory shortage
2. Evaporation or ordinary leakage
3. Vermin, insects, wear and tear, inherent vice, latent defect, gradual deterioration
4. **Pollution and Contamination**
5. An existing or hidden defect
6. Indirect or **Consequential Loss**
7. Vibration denting scratching or bruising
8. Mechanical or electrical breakdown derangement defect or failure
9. **The** deterioration or variation in temperature unless directly consequent upon fire, **Theft** or overturning or collision of the carrying **Vehicle.**
10. **Theft** or attempted **Theft** of the **Insured Property** from any unattended **Vehicle. For the purpose of this exclusion, an unattended**

vehicle is defined as any **Vehicle** without a person in charge or observing it, who is able to prevent or notice any attempt to interfere with the **Vehicle**, unless **You** have ensured that:

a) All doors windows and other points of access have been locked where locks have been fitted; and
b) All manufacturers' security devices have been put into effect; and
c) The keys have been removed from any unattended **Vehicle;** and
d) Unattached trailers have anti-hitching devices fitted and they are put into effect.

11. **Theft** or attempted **Theft** from any unattended **Vehicle** during the hours from 9pm until 6am unless such **Vehicle** is: Garaged in a securely locked **Building** of substantial nature or a compound which has secure walls and/or fences and securely locked gates.
12. Property in transit for hire or reward
13. **Loss** of market or indirect or consequential **loss**

4.2.6 Conditions

The following conditions apply to this **Policy**. If **You** do not carry out or maintain these minimum standards, **We** may reduce or refuse to pay a claim or may cancel this **Policy**.

Reasonable Care

You must

1. Only employ reliable and competent drivers and
2. Allow **Us** access to examine any **Vehicle** which **You** operate or **Situation** from which **You** operate

Brands and labels clause

Any **Insured Property** bearing identifying brands or labels or other permanent markings, may be retained by **You** to dispose of as **You** see fit, provided a reasonable allowance is agreed for the value of the **Insured Property** and this allowance is deducted from the claim settlement. Where only the labels or packaging are affected, **We** will pay **You** only the cost to recondition or replace labels or packaging.

No cover for carrier

Cover will not be provided for the benefit of the carrier or other bailee.

Section 4.3 – Third Party Vehicle Extension

4.3.1 The cover

We will cover **You** for amounts **You** are legally liable to pay in respect of **Damage** to **Vehicles** or **Watercraft** that are not **Your Property, arising from Your operation of Your Vehicle.**

4.3.2 Limit of Liability

Our liability under this **Policy** shall not exceed the limits stated in the **Schedule** or limit specified in any extension to this **Policy,** arising out of any one **Event** at any one location.

4.3.3 Additional benefits

The following additional benefits apply to this Section. Unless stated otherwise, cover under these additional benefits is included, and not in addition to, the **Limit of Liability**.

Third Party Hire Car

If **Your Vehicle** is involved in an **Accident** and **You** were at fault, **We** will arrange and pay the reasonable daily cost of a suitable hire car for the third party, subject to the following conditions:

1. The hire car will be provided until repairs authorised by **Us** are completed, or until the third party's **Vehicle** is at the authorised repairer and it is deemed unsafe to drive.
2. The hire car will be provided until **We** settle the third party's claim after the **Vehicle** has been assessed as a total **Loss**.
3. If **We** are unable to arrange a hire car for the third party, **We** will pay the third-party a travel allowance for the reasonable cost of a hire car from a standard car hire company, for the duration **We** would have provided the hire car.

No cover will be provided:

1. Any period during which the third-party **Vehicle** is not at the authorised repairer and it is safe to drive;
2. If the third-party arranges a hire car that is not of a similar class as their **Vehicle**, or if the cost of the hire car exceeds what is reasonable compared to other similar **Vehicles** available for hire in the area local to the third party;
3. Any unreasonable costs associated with the hire car that would not typically be incurred by a standard hire car company, including but not limited to fuel, upgrades, road tolls, traffic fines, accidents, hire car administration costs, cleaning fees, roadside assistance (where the third-party did not have roadside assistance), delivery / pick up fees or other **Losses**, or insurance **Excess** reduction;
4. If **We** receive information confirming that the driver of **Your Vehicle** did not cause or contribute to the accident.

Removal of Debris

If **You** are legally liable to pay the cost of removing **Debris** or cleaning up or removing goods that have fallen off **Your Vehicle** because it was in a collision or it overturned in an **Accident** covered by this **Policy**, **We** will pay those costs. However, **We** will not pay if the goods or **Debris** are dangerous goods. *Maximum*: $10,000.

Towed Vehicle
We will pay any amount **You** are legally liable to pay in respect of **damage** to another **Vehicle** or **Watercraft** as a result of an **Accident** in the **Period of Insurance** for **Loss** of or **Damage** to property arising out of any **Vehicle** being towed, carried or retrieved by **Your Vehicle**; and for **Damage** to any **Vehicle** being towed or retrieved by **Your Vehicle**. Maximum: $150,000. **We** will only cover **You** under this additional benefit if **Your Vehicle** and the **Vehicle** being towed, carried or retrieved are being operated in accordance with any law relating to the use of a tow truck.

4.3.5 Exclusions

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with

1. **Damage** to any property which is not a **Vehicle, or Watercraft;**
2. **Personal Injury;** or
3. Consequential **Loss**.

Section 5 – Broadform Liability

5.1 The cover

Where this Section is shown as insured on the **Schedule**, **We** agree to indemnify **You** against amounts which **You** become legally liable to pay as compensation for **Personal Injury** or **Property Damage** as a result of an **Occurrence** first happening in connection with **Your Motor Trades Business** during the **Period of Insurance**, within the **Territorial Limits**.

5.2 Definitions

The following definitions apply to this Section:

Employment Practices
Means any wrongful or unfair dismissal, failure to promote, negligent reassignment, negligent disciplinary action, denial of natural justice, refusal to employ, demotion, negligent evaluation, harassment, invasion of privacy, defamation, misleading representation or advertising, sexual harassment or discrimination in respect of **Your Employees**.

Faulty Workmanship:
Faulty Workmanship refers to physical damage or **Loss** arising directly from the incorrect, negligent, or substandard execution of a task by a mechanic or technician during the course of their professional duties. This includes errors in installation, repair, servicing, or assembly that deviate from accepted trade standards or manufacturer specifications. It is not considered an "accident" because it stems from a failure to meet contractual or professional obligations. For example, a mechanic replaces a vehicle's timing belt during a scheduled service, but the belt is not installed correctly and is misaligned. The timing belt slips, causing the pistons and valves to collide and resulting in significant **Damage** to the engine. The Faulty Workmanship is associated to the timing belt.

Resultant Third Party Damage
Faulty Workmanship may also give rise to Resultant Third Party Damage, which refers solely to physical **Loss** or damage sustained by third-party property as a direct consequence of the defective work, but which is not the defective work itself. Resultant Third Party Damage does not include the cost of repairing, correcting, removing, replacing, or reperforming the defective work, nor does it include any warranty obligation, guarantee, diminution in value, loss of use, delay, loss of profit, loss of revenue, or any other pure economic loss. For example, a mechanic replaces a **Vehicle's** timing belt during a scheduled service, but the belt is not installed correctly and is misaligned. The timing belt subsequently slips, causing the pistons and valves to collide and resulting in significant **Damage** to the engine. The incorrectly installed timing belt constitutes the Faulty Workmanship, while the **Damage** to the engine components is Resultant Third Party Damage arising from that Faulty Workmanship.

Accidental Damage:
Accidental Damage refers to sudden, unforeseen, and unintended physical **Loss** or damage to a customer's **Vehicle** caused by an external **Event** during the mechanic's custody or control. This includes incidents such as dropping a tool onto a **Vehicle**, collision during test driving, or damage caused by malfunctioning workshop equipment. For example, if a mechanic unintentionally scrapes a **Vehicle** against a hoist while reversing—despite following workshop protocols, this may be treated as **Accidental Damage**.

Hovercraft
Means any vessel, craft or device made or intended to float on or in or travel on or through the atmosphere or water on a cushion of air provided by a downward blast.

Incidental Contracts
Means:
1. Any written rental agreement or lease of real property which does not impose on **You**:
   a. An obligation to insure such property;
   b. Any liability regardless of fault;
2. Any written contract with any public authority for the supply of **Water** gas or electricity but only to the extent of indemnifying any such authority in respect of liability arising out of **Your Motor Trades Businesses** and excepting contracts for the performance of work or provision of services by **You**.

Limit of Liability
Means the amount stated in the **Schedule**.

Medical Persons
Means legally qualified, enrolled and registered medical practitioners, legally qualified registered nurses, dentists and first aid attendants.

Occurrence
Means an **Event** including continuous or repeated exposure to substantially the same general conditions, which results in **Personal Injury** or **Property Damage** that is neither expected nor intended from **Your** standpoint.
All events of a series consequent upon or attributable to one source or original cause shall be deemed to be one **Occurrence**.

Product
means anything manufactured, constructed, erected, assembled, installed, grown, extracted, produced or processed, treated, altered, modified, repaired, serviced, bottled, labelled, handled, sold, supplied, distributed, imported or exported, by **You** or on **Your** behalf, including any packaging or containers thereof, including the design, formula or specification, directions, markings, instructions, advice or warnings given or omitted to be given in connection with such products and anything which by law **You** are deemed to have manufactured in the course of the **Business** including discontinued products.

Property Damage
Means:
1. Physical damage to, **Loss** of or destruction of tangible property including any resultant **loss** of use; or
2. **Loss** of use of tangible property that has not been physically damaged, lost or destroyed provided such **Loss** of use is caused by physical damage to, **Loss** of or destruction of other tangible property.

Territorial Limits
Means:
1. Anywhere within Australia or its external territories;
2. Anywhere outside of Australia and its external territories, but only with respect to:
   a. Travelling **Employees** and/or directors or partners who are normally resident in Australia and who are not undertaking manual work or supervision outside of Australia or its external territories;
   b. **Your** products exported to anywhere in the world except the United States of America or Canada or any country, territory or protectorate to which the laws of the United States of America or Canada apply.

   However, the definition of 'Territorial Limit' excludes static **Situation**s where **Your** Dealership/Motor Trades business regularly operates or trades from, unless that **Situation** is noted in **Your Schedule** as being **Insured**.

Vehicle
means any type of machine, including attachments, that is designed to travel on wheels or on self-laid tracks made or intended to be propelled by mechanical power.

Watercraft
Means any vessel, craft or thing made or intended to float on or in or travel on or through water other than model boats.

5.3 Limits of Liability

Our liability shall not exceed the **Limit of Liability** in respect of any one claim or series of claims caused by or arising out of one **Occurrence**.

However, for claims caused by or arising out of any **Product**, **Our** liability shall not exceed the **Limit of Liability**:
1. for one claim or series of claims; and
2. for all claims during the **Period of Insurance**.

5.4 Additional benefits

The following additional benefits apply to this Section. These supplementary benefits are included within **Our Limit of Liability** and not in addition to it.

Legal costs
If **We** agree to pay a claim under this Section, **We** will pay legal costs incurred by **Us** or by **You**, after **We** have provided **Our** written consent, in the investigation, defence or settlement of a claim for compensation made against **You**.

Additional costs
We will pay the following additional costs incurred by **You** in connection with an **Occurrence** covered by this Section:
1. First aid costs, other than medical costs which **We** are not allowed to pay by law; and
2. Costs incurred for temporary repairs, shoring up or protection of **Damaged** property of others.

Expenses
With **Our** written consent, **We** will reimburse **You** for all reasonable expenses **You** incur in connection with any claim made against **You** that is covered by this Section, other than **Loss** of earnings.

5.5 Exclusions

Aircraft, Hovercraft and Watercraft
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with:
1. the ownership, operation, maintenance or use by **You** or on **Your** behalf of any **Aircraft** or **Hovercraft**;
2. any of **Your** products which are incorporated into the structure, machinery or controls of any **Aircraft** or **Hovercraft**; or
3. the ownership, operation, maintenance or use by **You** or on **Your** behalf of any **Watercraft** exceeding ten (10) metres in length whilst such **Watercraft** is on, in or under water.

Aircraft landing areas
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with the use of any land, property or structure as an airport, **Aircraft** hangar or **Aircraft** landing area, where such airport, **Aircraft** hangar or **Aircraft** landing area.

Assault and battery
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with assault and/or battery committed by **You** or at **Your** direction. However, this exclusion will not apply when such assault and/or battery is committed for the purpose of preventing **Personal Injury** or property **Damage** or eliminating danger to a person.

Animal(s)
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with any animal, including but not limited to livestock, domestic pets, wildlife, birds, reptiles, or fish.

Cyber and Data Total Exclusion
For **Loss**, damage, claim, fines, penalties, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any:

1. **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**; or
2. **Loss** of use, reduction in functionality, repair, replacement, restoration, reproduction, **Loss** or **Theft** of any **Data**, including any amount pertaining to the value of such **Data**;

regardless of any other cause or **Event** contributing concurrently or in any other sequence thereto.
In the event any portion of this provision is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
This provision supersedes any other wording in the **Policy** or any endorsement thereto having a bearing on a **Cyber Act**, **Cyber Incide**nt or **Data**, and, if in conflict with such wording, replaces it.
If **We** allege that by reason of this endorsement that **Loss** sustained by **You** is not covered by this **Policy**, the burden of proving the contrary shall be upon **You**

Defamation, libel and slander
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with the publication or utterance of any libellous, slanderous, defamatory or disparaging material:
1. Made prior to the commencement of the **Period of Insurance**;
2. Made at **Your** direction or with **Your** authority and with knowledge of its falsity; or
3. Related to advertising, broadcasting, telecasting or publishing activities conducted by **You** or on **Your** behalf.

Vehicles Exceeding 30 Years Old
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with any **Vehicle** that is more than 30 years old at the time of **Loss**, unless **We** have agreed in writing to provide cover for that **Vehicle**.

Emergency Services
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with the service and/or repair of emergency services **Vehicles**, including ambulances, police **Vehicles**, and fire trucks.

Employer's Liability
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with any **Loss** or damage:
1. for which **You** are or would be entitled to indemnity under any fund scheme, **Policy** or insurance or self-insurance pursuant to or required by any legislation relating to workers compensation whether or not such insurance has been effected;
2. imposed by the provisions of any industrial award or agreement or determination or any contract of employment or workplace agreement where such liability would have been imposed in the absence of such industrial award or agreement or determination or any contract of employment or workplace agreement;
3. related to **Employment Practices**.

Erection and alterations to Buildings
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with the erection, demolition of or alteration or addition to **Buildings** by **You** or on **Your** behalf.

Faulty Workmanship
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with the cost of reinstating, repairing, replacing, performing, completing, correcting or improving any work done or undertaken by **You** or on **Your** behalf.
However, this Exclusion does not apply to **Property Damage** to any **Vehicle** directly or indirectly caused by, arising from or in any way connected with the cost of reinstating, repairing, replacing, performing, completing, correcting or improving any work done or undertaken by **You** or on **Your** behalf, provided that:
1. The Damage occurs during the Period of Insurance;
2. Faulty Workmanship is shown as being **Insured** in **Your Schedule**;
3. **Our** liability shall be limited to an amount equal to the wholesale price of parts, freight costs and net labour costs necessarily and reasonably incurred to reinstate, repair, replace, perform, complete, correct or improve any work.
4. **Our** liability shall not exceed $30,000 for any one **Occurrence** and $50,000 in the annual aggregate for all such claims, unless otherwise stated in the **Schedule.**
5. The Damage occurred at a **Situation** specified in **Your Schedule**, unless **Your** Motor Trades Business occupation is a mobile mechanic.

Imports & Defect Product
This **Policy** excludes any **Loss**, damage, liability, cost, or expense of any kind, whether directly or indirectly caused by, contributed to, resulting from, or in connection with:
1. Products imported by **You** and subsequently distributed, sold, installed, or used; or
2. Any defect, error in design, specification, or formula in any of **Your** Products, including those imported.

This includes, but is not limited to, any claim arising from fire, whether caused by **Your** negligence or that of a third-party manufacturer. For the purposes of this exclusion, **You** may be deemed the manufacturer under Australian Consumer Law where **You** import goods.
However, this exclusion shall not apply to liability arising from resultant physical **Loss** of or **Damage** to third-party property caused by a defective **Product** that has been sourced by **You** from an Australian manufacturer, Australian importer, or authorised Australian distributor operating through normal commercial supply channels.
For the avoidance of doubt, this **Policy** does not cover:

1. the cost of repairing, replacing, removing, recalling, inspecting, reworking, or making good the defective **Product** itself;
2. any **Product** manufactured, designed, formulated, modified, or imported by **You**;
3. any **Product** sourced directly from overseas suppliers, online marketplaces, unauthorised suppliers, grey-import channels, or any supply chain outside normal Australian commercial distribution channels.

Liability assumed under contract

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with liability assumed under contract or agreement that requires **You** to:

1. Effect insurance over real or personal property;
2. Assume liability, regardless of fault.

However, this exclusion does not apply to:

1. Liabilities that would have been implied by law in the absence of such contract or agreement;
2. Liabilities assumed under **Incident Contracts**;
3. Terms regarding the merchantability, quality, fitness or care of **Your Products** which are implied by law or statute; or
4. Liabilities assumed under contract specifically designated in the **Schedule** or in any endorsement(s) to this **Policy**.

Loss of use

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with the **Loss** of use of tangible property, which has not been physically lost damaged or destroyed, resulting from:

1. Delay in or lack of performance by **You** or on **Your** behalf of any contract or agreement; or
2. The failure of **Your Products** to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by **You**

However, this Exclusion does not apply to **Loss** of use of other tangible property resulting from the sudden and accidental physical damage to or destruction of **Your Products** after such **Products** have been put to use by any person or organisation other than **You**.

North America

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with:

1. An action brought in a court of law with the territorial limits of **North America**;
2. the enforcement of any judgement, order or award obtained within, or determined pursuant to, the laws of **North America**;
3. **Products** which to **Your** knowledge at the time of **Your** acceptance of this **Policy** or any subsequent renewal would be exported to **North America.**

Own Property Damage

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with **Property Damage** to property owned by, leased, hired on loan or rented to, or otherwise in **Your** physical or legal control.

However, this Exclusion shall not apply to:

1. A **Situation** or part(s) of **Situation** (including their contents) which are leased or rented to **You** for the purpose of **Your Business**, however coverage does not extend to any liability where **You** have assumed the responsibility to effect or maintain insurance with respect to such **Situation**.
2. personal clothing and effects of **Your** directors, employees and visitors;
3. (a) A **Situation** (and/or their contents) temporarily occupied by **You** for the purpose of carrying out work in connection with **Your** Business; or
   (b) any other property temporarily in **Your** possession for the purpose of being worked upon;
   But no indemnity is granted under 3.(a) and 3.(b) for physical damage or destruction to that part of any property upon which **You** are or have been working on if the physical damage or destruction arises solely out of such work;
4. Any **Vehicles** (including its contents, spare parts and accessories while they are in or on a **Vehicle**) not belonging to or used by **You** whilst such **Vehicle** is within a car park owned or operated by **You**, unless part of **Your Business** is the operation of a car park for reward;
5. **Property Damage** to any **Vehicle** temporarily in **Your** possession for the purpose of parking and unparking such **Vehicle**; and
6. Any other property (except property owned by **You**) temporarily in **Your** physical or legal care, custody or control, provided that **Our** liability for all claims during the Period of Insurance under this point 6 shall not exceed $250,000 for each and every **Occurrence**, or as otherwise stated in the **Schedule**.

Participation & Competition

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with:

1. The "Participation" in, organisation of, or preparation for any competitive **Event**, including but not limited to races, contests, trials, demonstrations, time trials, or other events involving skill, endurance, speed, or performance.
2. The "Participation" in, organisation of, or preparation for any sport, exercise, or physical activity, including but not limited to:
   a. Aerobics, athletics, gymnastics, or martial arts,
   b. Team and individual sports such as football, basketball, rugby, cricket, or similar,
   c. Water-based activities such as swimming, diving, surfing, rowing, or aquatic motor sports,
   d. Aerial activities including skydiving, hang gliding, paragliding, or any airborne recreational activity,
   e. Equestrian activities such as horse riding, polo, show jumping, eventing, or related competitions.
3. The "Participation" in, organisation of, or preparation for any motorised **Vehicle** activity, including but not limited to:
   a. Rally driving, motor racing, or motorbike racing,
   b. Off-road driving, dirt biking, or stunt riding,

c. Any **Vehicle** activity conducted on a race track, closed circuit, testing ground, or designated motorsport facility,
d. Competitive or recreational motor sports, including but not limited to drag racing, drifting, time attack, or endurance racing.

For the purposes of this exclusion, "Participation" includes the participation, training or practice for, supervision or control of such activities.

Mining & Construction

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with mining, construction, or exploration activities. This includes, but is not limited to, any operations, activities, or work performed on **Vehicles** that are intended to be used on mining sites or construction sites, or in relation to such sites. The exclusion also applies to exploration or extraction activities, whether conducted above ground or underground, and any work related to the maintenance, repair, modification, or installation of **Vehicles** that will be used on these sites. Additionally, any damage, liability, or expense arising from the use, transportation, or storage of **Vehicles** on mining or construction sites is also excluded, as well as any associated risks or hazards typically encountered in such environments

Third-Party Business Exclusion

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with:

1. Third-Party Businesses Operating at the **Situation**:
   a. Any business, entity, contractor, or individual operating independently at the **Situation**, including but not limited to:
      i. Food trucks, market stalls, vendors, or mobile businesses;
      ii. Sub-contractors, service providers, or event organisers;
      iii. Tenants, licensees, or third parties leasing or using the **Situation** for commercial activities.
2. Liability Assumed Under Agreements
   a. Any liability arising from contractual agreements where the insured assumes responsibility for third-party businesses, vendors, or event operators.

Penalties, fines and damages

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with fines, penalties, liquidated damages, punitive damages, exemplary damages, aggravated damages and any additional damages resulting from the multiplication of compensatory damaged.

Pollution or Contamination

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with **Pollution or Contamination**.

Product guarantee

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with any warranty or guarantee given by **You** or on **Your** behalf in respect of **Your Products**, but this exclusion does not apply to the requirements of any legislation as to product safety and information.

Product recall

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with the withdrawal, inspection, repair, replacement, modification or **Loss** of use of **Your Products** or of any property of which such **Products** form a part if **Your Products** are withdrawn from the market or from use.

Professional liability

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with any breach of duty owed in a professional capacity or any error or omission in connection therewith by **You** or any person for whose breach of duty **You** may be liable.
However, this exclusion does not apply to the rendering of or failure to render medical advice by medical persons employed by **You** to provide first aid and other medical services on **Your Situation**.

Vehicle Roadworthy Certification / Registration

This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with the failure of any **Vehicle** to meet roadworthy certification requirements, regardless to who inspected, accepted or issued the certification. Roadworthy certification includes compliance with safety, structural, and other relevant standards as determined by applicable authorities.
However, this Exclusion does not apply to **Property Damage** and **Personal Injury** based on liability at law for the registration and/or roadworthy certification of a "**Vehicle**" or "motorcycle" provided that:

1. The **Vehicle** Roadworthy Certification/Registration was certified during the Period of Insurance;
2. **Vehicle** Roadworthy Certification / Registration is shown as being **Insured** in **Your Schedule**;
3. **Our** liability shall not exceed $1,000,000 for any one occurrence.
4. The **Vehicle** Roadworthy Certification/Registration was undertaken, and certified at a **Situation** noted in **Your Schedule** unless **Your Motor Trade Business** occupation is a mobile mechanic.

For the purposes of this extension, the following definitions apply:

1. "**Vehicle**" means a motor **Vehicle** owned by a **Customer** of the **Insured.**
2. "motorcycle" means a motorcycle owned by a **Customer** of the **Insured**

Spray Drift
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with the drifting of particles, forming part of any spraying process, being carried out to and depositing on any surface not intended to be sprayed upon by **You** or on **Your** behalf.

Tobacco Products
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with

1. The effects of cigarette or tobacco smoking allowed within **Your Situation**; or
2. The sale, distribution or supply of cigarettes or tobacco products in the course of the **Business**.

Manufacturing
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with any activity related to the manufacturing process, including but not limited to product defects, faulty design or engineering, contamination of goods, assembly errors, or any operational risks associated with the manufacture of goods. Additionally, no coverage applies to any claims arising from the use of manufactured goods, whether sold, distributed, or retained for resale, that result in injury, damage, or **Loss** due to defects in the manufacturing process, including but not limited to production, testing, packaging, or labelling. This exclusion extends to any activities carried out in connection with the manufacturing, refining, altering, or transforming of goods, and applies regardless of whether the goods are produced for sale, storage, or further use.

Agriculture and Construction Vehicles
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with the servicing or repair of agricultural or construction equipment and **Vehicles**.
For the purposes of this exclusion, servicing and repair includes, but is not limited to, mechanical, electrical, or bodywork repairs; diagnostics; detailing; custom modifications; maintenance; installation or removal of parts; painting; tuning; testing; and any other work performed on agricultural or construction equipment and **Vehicles** as part of their upkeep or modification.
Agricultural **Vehicle** means any **Vehicle**, or equipment primarily designed and used for farming, horticulture, viticulture, forestry, or other agricultural purposes. This includes, but is not limited to, tractors, combine harvesters, sprayers, balers, seeders, and other self-propelled or towed farming machinery.
Construction **Vehicle** means any **Vehicle**, or equipment primarily designed and used for **Building**, earthmoving, excavation, roadworks, demolition, or other construction-related activities. This includes, but is not limited to, bulldozers, excavators, loaders, graders, cranes, dump trucks, and other specialised construction machinery.

Towed Vehicle
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with any **Vehicle** being towed, carried or retrieved by **Your Vehicle**, unless **Your Vehicle** and the **Vehicle** being towed, carried or retrieved are being operated in accordance with any law relating to the use of a tow truck.
Our liability shall not exceed $150,000 for any one **Occurrence**.

Vehicles
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with the ownership, operation, use, possession or control of any **Vehicle** or any attachment to any such **Vehicle**:

1. which is registered or is legally required to be registered under any legislation; or
2. in respect of which compulsory liability insurance or statutory indemnity is required by virtue of any legislation, whether or not such insurance has been effected.

However, this exclusion does not apply to:

1. claims in respect of Personal Injury where compulsory liability insurance or statutory indemnity does not provide indemnity, and where the reason or reasons why compulsory liability insurance or statutory indemnity does not provide an indemnity does not involve a breach of any legislation by **You**;
2. the loading and unloading of goods to or from any **Vehicle**;
3. the delivery or collection of goods to or from any **Vehicles**
4. the operation or use of any **Vehicle** which is designed primarily for lifting, lowering, loading or unloading whilst being operated or used by **You** or on **Your** behalf;
5. the use of any tools, implements, machinery or plant attached to or towed by a **Vehicle** whilst being used by **You** at **Your Situation** or on any worksite;
6. property Damage to **Vehicles** not belonging to **You** or used by **You** or on **Your** behalf, but in **Your** care, custody or control, subject to a maximum of $250,000 any one Occurrence or any higher **Limit of Liability** set out in the **Schedule**; or
7. property Damage caused by a motor **Vehicle** accident that is partly or fully **Your** fault, provided that accident occurs during the Period of Insurance and arises out of the use of **Your Vehicle**, for which coverage is provided under Section 4 – Motor Combined Risks.

Vibration and removal of support
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with vibration or from the removal or weakening of or interference with support to land, **Buildings** or any other property.

Statutory Write-Off Exclusion
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with any **Vehicle** that has been declared a statutory write-off by any relevant authority or governing body, or any **Vehicle** that is deemed to be beyond economic repair under applicable legislation.

5.6 Conditions

The following conditions are specific to this Section:

Discharge of liabilities
We may at any time pay to **You** or on **Your** behalf in respect of all claims against **You**:

1. The amount of the **Limit of Liability** (after deduction of any sum or sums already paid by **Us**); or
2. Any lesser sum for which the claim or claims may be settled.

Upon such payment **We** will relinquish conduct or control of the defence of all claims against **You** and will have no further liability under this **Policy** in connection with such claim or claims.
Provided that **We** will pay for costs, charges and expenses recoverable from **You** in respect of the period prior to the date of such payment (whether or not this is pursuant to an order made subsequently) or incurred by **Us** or by **You** with **Our** written consent prior to the date of such payment.

Property inspection
We may at any reasonable time inspect **Your** property or property which **You** occupy or are responsible for.

Subrogation
In the event of any payment under this **Policy**, **We** will be subrogated to all of **Your** rights of recovery against any person or organisation and **You** shall execute and deliver any appropriate instruments and papers and do whatever else is necessary to secure such rights. Any amounts recovered shall be applied in accordance with the provisions of s.67 of the Insurance Contracts Act 1984.

Personal Injury to Contracted Employees or Workers Excess
The **Excess** of $25,000 shall apply to each and every Occurrence in respect of Personal Injury to Contracted **Employees** and / or Workers Compensation Subrogation Claims inclusive of Supplementary Payments.
For the purpose of the application of this **Excess** the term Contracted Employee or Worker includes Hired Labourers, Contractors or Sub-Contractors or any employee of any Hired Labourers, Contractors or Sub-Contractors whilst engaged by **You** to replace or supplement **Your** workforce thus performing work on **Your** behalf or for **Your** benefit. The term Contracted Employee or Worker does not include occasional maintenance or repair contractors specifically engaged for such occasional maintenance or repair.
All other terms and conditions remain unchanged.

Section 6 Equipment Breakdown

6.1 The cover

We will cover **You** for **Damage** to equipment which is in use or connected ready for use at **Your Situation** as a result of a **Breakdown** that happens during the **Period of Insurance**. **We** will also cover **You** for **Damage** to other **Equipment** directly caused by a **Breakdown** to equipment covered under this Section.

What We cover

Equipment

For all equipment, **We** will, at **Our** option:

1. Repair the equipment or replace the equipment with similar (not necessarily new) property of like kind, capacity, size, quality and function; or
2. Pay **You** the lesser of the cost to repair the equipment or replace the equipment with similar (not necessarily new) property of like kind, capacity, size, quality and function.

If **We** agree that **You** can carry out the repairs at the **Situation** or at a workshop owned by **You**, **We** will pay the actual costs of materials and wages incurred plus a reasonable overhead mark-up, provided that a qualified person carries out the repairs.

If it is necessary to replace parts that are unavailable, **We** will not pay more than the estimated cost of similar parts currently available. If similar parts are unavailable, **We** will not pay more than the manufacturers, or suppliers, latest list price.

We will also pay the reasonable and necessary cost of cleaning, storing, recycling or replacing any gas or fluid used as transfer or insulating media in the operation of the equipment.

For all exposed film, records, manuscripts, drawings and other valuable papers and records, that are lost or **Damaged** as a result of a **Breakdown** covered by this Section, **We** will pay **You** the cost of blank material and the cost of transcription from duplicates or from originals.

For all other **Insured Property** covered under this Section **We** will, repair or replace the **Insured Property** or pay **You** the cost to repair or replace the **Insured Property,** whichever is lesser.

6.2 Definitions

The following definitions apply to this Section:

Breakdown

Means the sudden and accidental **Damage** to an item of equipment or a part of it, which manifests itself at the time of its occurrence by **Damage** to the item of equipment or part thereof that necessitates its repair or replacement, but breakdown does not mean:

1. Depletion, deterioration, corrosion or erosion of material;
2. Wear and tear;
3. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
4. Vibration or misalignment;
5. The failure of any structure, foundation or setting (other than bedplate) supporting the equipment or any part of it;
6. The functioning of any safety device or protective device; or
7. The cracking of any part of a gas turbine exposed to the products of combustion.

Commencement of liability

Means:

1. The local time at the **Situation** at the time of the **Breakdown**; or
2. Twenty four hours before notice of the **Breakdown** is received by **Us**;

whichever is later.

Equipment

1. Means all equipment of the type less than 10 years old described below that is owned, leased, operated or controlled by **You** including:
2. Any **Pressure Plant**;
3. Any mechanical or electrical machine or electrical apparatus used for the generation, transmission, transformation or utilisation of mechanical or electrical power; or
4. Any electronic equipment used:
   a. For the generation, control, transmission, reception, recording, reproduction, playback or other use of television, radio or telephone signals;
   b. For research, diagnostic, treatment, experimental or other medical or scientific purposes;
   c. For starting, stopping, controlling or monitoring one or more **Insured** items of equipment.

However, Equipment does not include:

1. Any **Vehicle**, locomotive or rolling stock, **Watercraft** or **Aircraft**;
2. Any power shovel, excavator, dragline or other mobile equipment. However, the meaning of equipment shall include any electrical equipment used with such machine or equipment;
3. Any belt, rope or chain;
4. Any refractory or insulating material;
5. Any anode tube, laser source head or tube, ultrasound probe or head, klystron tube, x-ray or video amplifier tube;
6. Any die, mould, or template;
7. Any hose, any piping or any electrical reticulating system in or under **Water** (whether or not in conduit),
8. Buried piping (except such piping included in **Pressure Plant**), sewer piping, drainage piping, sprinkler system or its accessory equipment;
9. Any penstock, draft tube or well casing;
10. Any digital camera, mobile phone, tablet, drone or removable satellite system; or
11. Any elevator, escalator, crane, hoist or conveyor other than any **Pressure Plant**, pump, compressor, fan, blower, engine or turbine and the following connected to such machine or apparatus;
    a. Any separate enclosed gear set connected to such machine or apparatus by a coupling, clutch or belt;

b. Any electrical equipment; or
c. Any electronic equipment used solely to start, stop, control or monitor such machine or apparatus.

6.3 Excess

The amount **We** pay **You** under this Section arising from any one **Breakdown** will be reduced by the **Excess**. If a time **Excess** is shown in the **Schedule** as applying to this Section, **We** will not be liable for any **Loss** or expense arising during the period after the C**ommencement of Liability** and prior to the expiry of the specified number of hours specified for the time **Excess**. If more than one time **Excess** is applicable to any one **Breakdown**, then only the highest applicable time **Excess** for that coverage shall apply.

6.4 Limit of Liability

Our maximum liability under this Section for any one **Breakdown**, and in the aggregate for all **Breakdowns** in the **Period of Insurance**, is the **Limit of Liability** set out in the **Schedule**.

6.5 Additional benefits

The following additional benefits apply to this Section. These benefits will be payable in the event that a claim is paid under this Section (other than the optional covers).

Professional fees

We will pay for the reasonable and necessary fees authorised by **Us** which are payable to auditors, accountants, lawyers, architects, engineers or other professionals for producing and certifying information required by **Us** to establish the amount payable under this Section, including under the optional covers. This does not apply to any amount paid or payable to **Your Employees** or to third party **Loss** adjusters appointed by **You**. **We** will not pay more under this additional benefit than the **Limit of Liability** set out in the **Schedule** for professional fees.
Maximum: $25,000

Expediting expenses

We will pay the reasonable extra cost, including overtime and the extra cost of express or rapid means of transportation, necessary to:
1. Make temporary repairs;
2. Expedite permanent repairs; or
3. Expedite permanent replacement,

of the **Damaged** equipment or other **Insured Property**.
We will not pay any costs relating to any property installed to replace the function of the **Damaged** equipment or other **Insured Property** on a temporary basis.
Maximum: $25,000

Temporary hire costs

We will pay for the hiring of temporary property, necessary to keep the **Business** operating as nearly as practical as before the breakdown, up to:
1. 50% of the normal cost to repair or replace the **Damaged** equipment and other **Insured Property**; or
2. $25,000;

whichever is the lesser, for any one **Breakdown**.
Cover under this additional benefit applies in addition to the **Limit of Liability**.

Bore pump removal costs

We will pay for the necessary and reasonable cost of removal and installation of bore pumps, *Maximum*: $5,000, for any one **Breakdown**.

Water Damage

We will pay for **Damage** to any **Insured Property** by water, including salvage expense, as a direct result of a breakdown to any piping described in the definition of equipment. However, **We** will not pay more than the amount set out in the **Schedule** for Water Damage.
Maximum: $25,000

Hazardous substances

If a **Hazardous Substance** escapes or is released solely as a result of a breakdown, **We** will pay for the increase in the cost to repair, replace, clean up or dispose of affected **Insured Property**.
We will not pay for any **Increase in Loss** to any **Insured Property** that has broken down that is caused by or arises from a **Hazardous Substance**. **We** will not be liable under this additional benefit for **Damage** caused by **Ammonia Contamination**. In this additional benefit the expression 'increase in **Loss**' means that cost or **Loss** beyond that which would have been incurred had no **Hazardous Substance** been present.
Maximum: $25,000

Ammonia contamination

For the purposes of this Section (including the optional covers) **Damage** caused by ammonia making contact with **Insured Property** as a direct result of a **Breakdown** to any refrigerating or air conditioning system, vessels or piping, described within the definition of **Pressure Plant** or equipment is deemed to be **Damage** as a result of a **Breakdown**.

Newly acquired Premises

We will cover **You** for and in connection with a **Breakdown** at **Premises** newly acquired by **You** provided that:
1. **You** notify **Us** in writing within 90 days after the date the **Premises** is acquired;
2. The **Premises** is in Australia or within any other country in which a **Premises** specified in the **Schedule** is located;
3. **You** must pay the additional **Premium** required by **Us**;
4. The **Money Excess** (and time **Excess**) that applies will be the highest amount shown in this **Policy** for such **Damage**; and
5. **We** will not pay more than the **Limit of Liability** set out in the **Schedule** for newly acquired **Premises**.

6.6 Optional cover

If **You** have cover under this Section, **You** can choose to add the following optional cover to **Your Policy**. The option that **You** have chosen to add to **Your Policy** will be set out in the **Schedule**. If **You** have cover under Section 2

– Business Interruption please read the *Cover under more than one Section* condition that is applicable to all Sections in this **Policy**.

Increased Cost of Working
If **We** have agreed to pay a claim under this Section for repair or replacement of equipment caused by **Breakdown**, **We** will pay the additional increase in cost of working (not otherwise recoverable under this Section) necessarily and reasonably incurred during the **Indemnity Period** as a consequence of the **Breakdown** for the purpose of avoiding or diminishing reduction in turnover or resuming or maintaining normal **Motor Trades Business** operations or services. The most **We** will pay for **Your** additional increase in costs of working is the **Limit of Liability** set out in the **Schedule** for additional increase costs of working.

Additional Increased Cost of Working (3 Month Limit)
If **We** have agreed to pay a claim under this Section for repair or replacement of equipment caused by **Breakdown**, **We** will pay for the additional increase in cost of working (not otherwise recoverable under this section) necessarily and reasonably incurred during the Indemnity Period as a consequence of the Damage for the purpose of avoiding or diminishing reduction in Turnover or resuming or maintaining normal Business operations or services. The most **We** will pay for **Your** additional increase in cost of working is the **Limit of Liability** set out in the **Schedule** for "Additional Increased Cost of Working" within a 3 month period.

Specified Cover (Equipment more than 10 years old)
If **You** specify equipment more than 10 years old during **Your Proposal**, and **We** agree in writing to provide cover for that equipment, the extent of the cover will be as outlined in **Your Schedule**. The cover provided will be limited to the specified sum insured for that equipment. **We** will pay (up to the specified sum) for the repair or total **Loss** of that equipment, or the cash equivalent, whichever is lesser.

6.7 Exclusions

Water and Explosion
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with:

1. Escape of water or liquids, unless resulting from a **Breakdown**; or
2. **Explosion** that is accompanied by or that ensues from a **Breakdown**; however, with respect to:
   a. An item of equipment which forms part of **Pressure Plant** (but not including a **Boiler** of the chemical recovery type), the **Loss** to the item of equipment, resulting from **Damage** to the same item of equipment in which the **Breakdown** occurred, is not excluded; and
   b. An **Explosion** of gas or unconsumed fuel within the furnace of a fired pressure vessel or a **Boiler** (being an item of **Pressure Plant**, but not including a **Boiler** of the chemical recovery type), or within the passages from the furnace of such a fired pressure vessel or **Boiler** to the atmosphere, the **Loss** to the item of equipment, resulting from **Damage** to the same item of equipment in which the **Breakdown** occurred, is not excluded.

Certain circumstances
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with any item of equipment which is caused directly by **Breakdown** while such item is undergoing any pressure test, an insulation B**reakdown** test or is being dried out.

Equipment more than 10 years old
This **Policy** excludes **Loss**, damage, liability, cost, or expense by whatever nature, either directly or indirectly caused by, contributed to, resulting from, or in connection with equipment that was manufactured or built more than ten years prior to the date of any claim made, unless the Optional Cover "Specified Cover (Equipment more than 10 years old)" is selected by **You** during **Your Proposal** and **We** agree in writing to provide cover, as specified in **Your Schedule**.

6.8 Conditions

The following conditions apply to this Section. If **You** do not carry out or maintain these minimum standards, **We** may reduce or refuse to pay a claim or may cancel this **Policy**.

One breakdown
If a **Breakdown** to any item of equipment causes a **Breakdown** simultaneously to any other item of equipment, or a series of **Breakdowns** occur simultaneously as a result of the same cause, they will be considered as one **Breakdown** for the purposes of the Section.

Inspection
We have the right to inspect any item of equipment at any reasonable time. Neither the right to make inspections nor the making of them is an undertaking to **You** or others that such equipment is safe and not hazardous or injurious to health.

Precautions
You must take responsible measures to maintain the equipment in sound working condition and to prevent a breakdown from occurring and to comply with any Act of Parliament or Regulation or any law, by-law, ordinance, regulation of any Municipal or Statutory Authority, rule or ruling in relation to the operation, maintenance, repair or inspection of the equipment including:

1. Where certificate of inspection is required by any statute or regulation, such equipment shall be so certified;
2. Where **Pressure Plant** is not inspected by a Statutory Authority, the plant must be inspected and conform with Australian Standards AS3788 and all other relevant Australian Standards, regulations and codes;
3. The load on the safety valve or safety valves upon any item of equipment shall not be in **Excess** of that permitted by the certificate issued for the item; and
4. No safety valve or other limiting device shall be removed or rendered inoperative.