

Crime Insurance Policy

Excluding Fire and
other Perils

Please read this policy in conjunction with the
Certificate of Insurance



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Ansvar Insurance – Insurance products with flexible solutions

Our history

Ansvar Insurance has been a trusted name in Australia since 1961. Owned by UK Insurance company, Ecclesiastical Insurance Office plc, we enjoy substantial financial backing and are proud to meet the rigorous regulatory requirements of an insurer serving Australians.

Why insure through Ansvar Insurance?

With almost 50 years of experience in Australia we understand what customers are seeking in their insurance company: a trusted, responsible and professional organisation where you are treated with respect and care and offered choice and flexibility. Offering value for money, personal service and a demonstrated commitment to community programs explains why we are the insurer of choice for our Australia wide customers.

Developing our young Australians

We are honoured to provide support to many community organisations throughout Australia. Each organisation provides valuable support to improve and enrich the lives of Australian youth so that they may contribute positively to the community in which they live. To find out more about our grants to Community Education Program please visit our website ansvar.com.au

Our insurance advantage

Ansvar Insurance is a specialist insurance company with a deep understanding of the issues confronting our customers.

We believe in offering more than just insurance. Our dedicated staff are committed to helping clients protect their assets by providing:

- specialist insurance advice in our core markets
- flexibility in underwriting
- independent, on-site, risk management inspections and expert advice to find solutions
- risk management seminars and advice on helping clients develop their risk management programs

Who is the insurer and how can we be contacted?

Ansvar Insurance Limited, ABN 21007 216 506, is the issuer of this insurance policy. The registered office of Ansvar Insurance is Level 18, 303 Collins Street, Melbourne, Victoria. The Ansvar Insurance Australian Financial Services Licence number is 237826.

You can contact us by:

- calling in person at any Ansvar Insurance office
- telephoning 1300 650 540
- facsimile on 03 9614 1545
- writing to any office of Ansvar Insurance
- email to insure@ansvar.com.au

Cooling off period

We will refund the entire premium you have paid for cover under this insurance policy if you cancel the policy within 21 days of its commencement. To do this, you must advise us in writing and return the insurance policy and certificate of insurance to your nearest Ansvar Insurance office.

You will **not** receive a refund if you have made a claim, or intend to make a claim, under the insurance policy.

Costs

The premium payable by you is shown in your Certificate of Insurance. The factors used to determine the premium payable under this policy include:

- the nature, age and size of the business;
- the construction, location and occupancy of the business premises;
- the nature and value of the assets to be insured;
- the annual income of the insured and the indemnity period (where income insurance is required);
- the physical protection and other loss minimization features;
- the extent of cover and any extensions required;
- the sums insured or limits of liability;
- the period of insurance (short-term/annual);
- the excess selected;
- past claims/incidents history.

The premium is payable either when the product is purchased or by direct bank debit when you elect to pay it monthly. If you elect to pay monthly there is an additional fee. A cancellation fee may apply if you cancel your insurance policy before expiry.

Premiums and fees are subject to Commonwealth and State taxes and levies which include the Goods and Services Tax and Stamp Duty, if applicable to your state. All are shown on your Certificate of Insurance.

Code of Practice and Privacy Act

As a signatory to The General Insurance Code of Practice we are committed to raising standards of service to our customers. This voluntary code sets out the minimum standards we will uphold in the services we provide to you.

The Privacy Act sets out how we are to collect, use, disclose and protect your personal information. It also describes the circumstances for you to access and, if necessary correct your personal information.

Complaints

If you are not satisfied with our service we recommend that you use the complaints procedure set out below. The type of complaint could relate to the behaviour of or advice given by an Ansvr Insurance employee or authorised representative, a decision on a claim, the privacy of your personal information or any other matter relating to your insurance that is of concern to you. These procedures are available free of charge to you.

First, contact the employee or authorised representative with whom you have had contact to see if he or she can resolve the problem. If that is not possible, then contact the Regional Manager in your state. The Regional Manager will review the information and give you a response as quickly as possible; but no later than three working days from the date when the complaint is received.

If you are not satisfied with the response given by the Regional Manager, then please either telephone or write to:

The Secretary
Internal Dispute Resolution Committee
Ansvar Insurance Limited
GPO Box 1655N Melbourne VIC 3001
PH +61 3 8630 3100
FX +61 3 9614 2740

The Secretary will refer your complaint to the Committee which comprises the CEO, Operations Manager and one of the non executive directors of Ansvar Insurance Limited, for a decision.

The Internal Dispute Resolution Committee has appropriate authority to deal with unresolved complaints. You will receive a response within seven (7) working days from the time the Internal Dispute Resolution Committee receives your unresolved complaint, or alternatively you will be asked for further information. If further information is required, you will receive a decision within seven (7) working days from the time Ansvar Insurance receives the additional information.

What if we don't resolve your problem?

Once the Internal Dispute Resolution Committee gives you an answer, we will provide you with information about external dispute resolution if that is available.

For many complaints this is the Insurance Ombudsman Service (IOS), which costs you nothing. You have three months from the date of the decision by the Internal Dispute Resolution Committee to lodge your complaint with the IOS. The IOS may be contacted by calling 1300 78 08 08 for the cost of a local call, or by writing to them at PO Box 561, Collins Street West, Melbourne 8007.

Alternatively, you may further pursue your unresolved complaint through a formal legal process such as the courts, mediation, or arbitration.

For privacy complaints you may approach the Federal Privacy Commissioner. A copy of the General Insurance Code of Practice and privacy principles can be obtained from our website ansvar.com.au or from one of our offices.

Important notices to Policyholders

It is important to read/retain the following documents and keep them in a safe and convenient place:

- this document
- your current Certificate of Insurance

Remember to regularly review your insurance policy, particularly at renewal to ensure your insurance policy provides the cover that you currently need.

Duty of disclosure

Before you enter into an insurance contract with us, you are required to tell us every matter that is known to you, being a matter that:

- you know to be relevant to the decision by us to accept the risk and if so, on what terms; or
- a reasonable person in the circumstances could be expected to know to be a matter so relevant.

If you have not disclosed all relevant information, or if you have misinterpreted the facts, then we may be entitled to cancel the policy, reduce the sum insured, or treat the policy as never having existed.

If you do not tell us all relevant matters we can reduce the amount we pay for any claim or cancel this insurance policy. If your non disclosure is fraudulent we can void the insurance policy from the beginning.

Goods and Services Tax (GST)

This insurance policy has provision for payment of Goods and Services Tax:

- by you in relation to premiums
- by us in relation to claims

Definitions

For the purpose of this Policy, the following definitions apply:

<i>the insurer</i>	means Ansvar Insurance Limited ABN 21 007 216 506
<i>the insured</i>	is as described in the certificate of insurance and includes all subsidiary companies, organisations and other entities in which the insured has a controlling interest to the extent only that each of them is engaged in carrying on the business described in the certificate of insurance or activities which are substantially the same kind or related to that business. For the purpose of this definition, a controlling interest shall in the case of a company mean the beneficial ownership of shares carrying more than 50% of votes capable of being cast at a general meeting of all shareholders in the company.
<i>property insured</i>	means all tangible property both real and personal of every kind and description belonging to the insured or for damage to which property the insured is legally responsible or which the Insured has assumed responsibility to insure prior to the occurrence of any damage, and includes more specifically money. Property insured includes all such property acquired after the commencement of the period of insurance.
<i>situation</i>	is the situation or situations shown in the certificate of insurance.
<i>certificate of insurance</i>	means the certificate of insurance attaching to this wording or any certificate of insurance subsequently issued on renewal or variation or by way of endorsement.
<i>period of insurance</i>	is the period referred to in the certificate of insurance or any further period for which renewal has been agreed.
<i>policy</i>	means this document, the certificate of insurance and any endorsement(s).
<i>the limit of liability</i>	is the maximum amount payable by the insurer for any one loss or series of losses suffered by the insured arising out of any one original source or cause at any one situation, subject to any sub limits of liability and the application of any deductible. The limits of liability and sub limits of liability are as set out in the Certificate of Insurance.

If more than one limit or sub limit of liability applies, the lesser amount shall be payable.

Each sub limit shall not increase the liability of the insurer beyond the limit of liability. Each of the deductibles will apply to each sub limit, but will not be cumulative.

<i>deductible</i>	is the first amount of each claim which is payable by the Insured as stated in the certificate of insurance. Should more than one deductible apply under this policy for any claim or series of claims arising from the one original source or cause, such deductibles shall not be aggregated and the highest single level of deductible only shall apply.
<i>debris</i>	means the residue of damaged property insured excluding any material which is itself a pollutant or contaminant and which is deposited beyond the boundaries of the situation.
<i>accidental damage</i>	for the purpose of any limit or sub limit of liability or deductible means damage caused by any peril or circumstance not more specifically covered or excluded by this policy other than fire, lightning, thunderbolt, explosion, implosion, earthquake, subterranean fire, volcanic eruption, erosion, subsidence, landslip, collapse, impact, aircraft and/or other aerial devices and/or articles dropped therefrom, sonic boom, theft, breakage of glass, loss of money, the acts of persons taking part in riots or civil commotions or of strikers or locked-out workers or of persons taking part in labour disturbances or of malicious persons or the acts of any lawfully constituted authority in connection with the foregoing acts or in connection with any conflagration or other catastrophe, spontaneous combustion, spontaneous fermentation, storm and/or tempest and/or rainwater and/or wind and/or hail, flood, water or other liquids or substances discharged, overflowing or leaking from apparatus, appliances, pipes or any other system at the premises or elsewhere.
<i>flood</i>	means the inundation of normally dry land by water escaping from or released from the normal confines of any natural water course or lake (whether or not altered or modified) or any dam, reservoir or canal.
<i>damage</i>	(with damaged having a corresponding meaning) means physical loss, damage or destruction.
<i>money</i>	means current coin, bank notes, currency notes, cheques, travellers' cheques, securities, negotiable instruments, credit card sales and discount house vouchers, postal orders, money orders, unused postage and revenue stamps and including the value of stamps contained in franking machines.
<i>any one situation</i>	where 'the situation' specified in the certificate of insurance is other than a single address, means each separate postal address at which the property damaged is located.

Crime insurance policy

This policy incorporates the certificate of insurance, definitions, conditions, exclusions, endorsements, memoranda and warranties (if any) and any other terms herein contained which are to be read together and any word or expression to which a specific meaning has been given in any part of this policy shall bear this meaning wherever it may appear unless such meaning is inapplicable to the context in which the word or expression appears.

Whereas the insured named in the certificate of insurance has paid or agreed to pay to the insurer specified in the certificate the premium shown on the certificate, now the insurer agrees, subject to the terms, conditions, exclusions, memoranda, warranties, limitations and other provisions contained herein or endorsed hereon, to indemnify the insured as specified herein against loss arising from any insured events which occur during the period of insurance stated in the certificate or any renewal thereof.

Provided that the total liability of the insurer at any one situation shall not exceed the appropriate limit or sub limit(s) of liability as stated in the certificate of insurance or such amount(s) as may be substituted therefore by endorsement or memorandum hereon or attached hereto and that each insurer specified below shall only be liable to contribute to any loss covered by this policy that proportion of the loss as is specified beside its name.

The indemnity

Material loss or damage

In the event of any physical loss, destruction or damage (hereinafter referred to as 'damage' with 'damaged' having a corresponding meaning) not otherwise excluded happening at the situation to the property insured described in the certificate of insurance, subject to the provisions of this policy including the limitation on the insurer liability, indemnify the insured in accordance with the applicable basis of settlement.

Subject to the liability of the insurer not being increased beyond the limit(s) of liability already stated herein, the insurer will also indemnify the insured for:

1. Architects, surveyors, consulting engineers, legal and other fees and clerks of works salaries for estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in reinstatement consequent upon damage to property hereby insured but not such costs, fees and salary for preparing any claim hereunder;
2. Any fee, contribution or other impost payable to any government, local government or other statutory authority; where payment of such fee, contribution or impost is a condition precedent to the obtaining of consent to reinstate any building(s) insured hereunder; provided that the insurer shall not be liable for payment of any fines and/or penalties imposed upon the insured by any such authorities;
3. Costs and expenses necessarily and reasonably incurred for the purpose of preventing or diminishing imminent damage to property hereby insured by any peril insured against by this policy;
4. Costs and expenses necessarily and reasonably incurred for the temporary protection and safety of property hereby insured pending repair or replacement consequent upon damage recoverable hereunder;
5. Costs of replacing locks and/or keys and/or combinations where if as a result of

burglary, theft or any attempt thereof the keys and/or combinations are stolen or if there are reasonable grounds to believe the keys may have been duplicated also the cost of opening safes and/or strongrooms as a result of theft of keys and/or combinations;

6. Costs and expenses necessarily and reasonably incurred in respect of:
 - a. the removal, storage and/or disposal of debris or the demolition, dismantling, shoring up, propping, underpinning or other temporary repairs consequent upon damage to property insured by this policy and occasioned by a peril insured against;
 - b. the insured's legal liability in respect of removal, storage and/or disposal of debris, notwithstanding excluded peril 8 in relation to premises, roadways, services, railway or waterways of others, consequent upon damage to the property insured by a peril hereby insured against, for such costs together with the cost of cleaning provided that such liability was not assumed by the insured under an agreement entered into after the commencement of the period of insurance or any renewal thereof unless liability would have attached in the absence of such agreement;
 - c. the demolition and removal of any property belonging to the insured which is no longer useful for the purpose it was intended, providing such demolition and removal is necessary for the purpose of the reinstatement or replacement of property insured under this section and is consequent upon damage to the property insured by a peril hereby insured against;
7. Damage to clothing and tools of trade belonging to directors and employees of the insured whilst on the premises;

Claims preparation and proving costs

The insurance under this item is to cover such reasonable professional fees as may be payable by the Insured, and such other reasonable expenses necessarily incurred by the insured and not otherwise recoverable, for preparation of claims under the insured's material damage and consequential loss insurance policies and the Insurer shall indemnify the Insured for such reasonable fees and expenses.

The property insured

All tangible property both real and personal of every kind and description (except as hereinafter excluded) belonging to the insured or for which the insured is responsible, or has assumed responsibility to insure prior to the occurrence of any damage, including all such property in which the insured may acquire an insurable interest during the period of insurance.

It is understood and agreed that the term 'personal property' shall include money (as defined) whilst contained in the situation and whilst in transit to and from the situation anywhere in Australia, including whilst contained in the night safe of any bank or financial institution where the insured transacts business, and in the personal custody of the insured and/or persons authorised by the insured whilst contained in their private residences.

Basis of settlement

1. On buildings, machinery, plant and all other property and contents (other than those specified below); the cost of reinstatement, replacement or repair in accordance with the provisions of the reinstatement and replacement and extra cost of reinstatement memoranda as set out herein.

Provided that if the insured elects to claim the indemnity value of any damaged

property, the insurer will pay to the Insured the value of such property at the time of the happening of the damage or at its/their option reinstate, replace or repair such property or any part thereof. In any event the insurer will pay costs incurred by the insured in accordance with the provisions of the extra cost of reinstatement memorandum.

2. On raw materials, supplies and other merchandise not manufactured by the Insured; the replacement cost at the time and the place of replacement or, if such property is not replaced, the value thereof at the time and place of the damage.
3. On material in process of manufacture; the replacement value of the raw materials and the value of labour and other overhead charges expended thereon at the time and the place of the damage.
4. On finished goods; the replacement value of the raw materials and the value of labour and other overhead charges expended thereon before any allowance for profit or the cost of re-stocking such goods, whichever is the lesser.
5. On computer systems records, documents, manuscripts, securities, deeds, specifications, plans, drawings, designs, business books and other records of every description; the cost of reinstating, replacing, reproducing or restoring same, including information contained therein or thereon but excluding the value to the Insured of the said information; or, if such is not required, the replacement cost of materials as blank stationery at the time and place of the damage.
6. On patterns, models, moulds, dies or lasts; the cost of repair or replacement (if actually replaced) otherwise the indemnity value to the Insured of such property.
7. On glass; the cost of repairing or replacing the broken glass including:
 - a. temporary shuttering and/or hiring of security service pending replacement of broken glass;
 - b. sign writing or ornamentation on glass;
 - c. replacement burglar alarm tapes on glass;
 - d. removing and re-fixing of window and show case frames and fittings;
 - e. heat reflecting material or process on glass.
8. On directors' and employees' clothing and tools of trade; the replacement cost at the time of replacement subject to due allowance for wear and tear, depreciation and betterment.
9. On empty premises awaiting demolition; the salvage value of the building materials and/or landlords fixtures and fittings.

Memoranda

Except to the extent that this policy is hereby modified under the following memoranda the terms, conditions and limitations of this policy shall apply.

Interests of Other Parties

The insurable interest of only those lessors, financiers, trustees, mortgagees, owners and all other parties specifically noted in the records of the insured shall be automatically included without notification or specification; the nature and extent of such interest to be disclosed in 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 party/parties; provided the remaining party/parties shall, immediately on becoming aware of any act or neglect whereby the risk of damage has increased, give notice in writing to the insurer and on demand pay such reasonable additional premium as the insurer may require.

Notwithstanding the foregoing paragraph it is understood and agreed that in the event of any of the parties referred to herein being entitled to the benefits of any 'concessions agreement', which it may have entered into with the insurer, the said 'concessions agreement' will take precedence over the foregoing paragraph.

Subrogation Waiver

The insurer agrees to waive any rights and remedies or relief to which it/they may become entitled by subrogation against:

1. any corporation or organisation (including its directors, officers, employees or servants) owned or controlled by any insured named herein or subsidiary to any insured named herein or any co-owner of the property insured hereunder;
2. any insured named or described by this policy (including its directors, officers, employees or servants).

Branded Goods

Any salvage of branded goods and/or merchandise, the insured's own or held by the insured in trust or on commission, and/or goods sold but not delivered, shall not be disposed of by sale without the consent of the insured. If such salvage is not disposed of by sale then the damage will be assessed at the value agreed between the insured and the insurer after brands, labels or names have been removed by or on behalf of the insured.

Reinstatement and replacement

(Applicable to buildings, machinery, plant and all other property and contents; other than those specified in items (2) to (9) under basis of settlement).

The basis upon which the amount payable is to be calculated shall be the cost of reinstatement of the damaged property insured at the time of its reinstatement, subject to the following provisions and subject also to the terms, conditions and limit(s) or sub limit(s) of liability of this policy.

For the purpose of the insurance under this memorandum 'reinstatement' shall mean:

1. Where property is lost or destroyed: in the case of a building, the rebuilding thereof or in the case of property other than a building, the replacement thereof by similar property: in either case in a condition equal to, but not better or more extensive than, its condition when new;
2. Where property is damaged: the repair of the damage and the restoration of the damaged portion of the property to a condition substantially the same as, but not better or more extensive than, its condition when new.

Provisions

1. The work of rebuilding, replacing, repairing or restoring as the case may be (which may be carried out upon any other site(s) and in any manner suitable to the requirements of the insured, but subject to the liability of the insurer not being thereby increased), must be commenced and carried out with reasonable dispatch, failing which the insurer shall not be liable to make any payment greater than the indemnity value of the damaged property at the time of the happening of the damage.

2. When any property insured to which this memorandum applies is damaged in part only, the liability of the insurer shall not exceed the sum representing the cost which the insurer could have been called upon to pay for reinstatement if such property had been wholly destroyed.
3. No payment beyond the amount which would have been payable under this policy if this memorandum had not been incorporated herein shall be made until a sum equal to the cost of reinstatement shall have been actually incurred; provided that where the insured reinstates or replaces any lost or destroyed property at a cost which is less than the cost of reinstatement (as defined) but greater than the value of such property at the time of the happening of its loss or destruction, then the cost so incurred shall be deemed to be the cost of reinstatement.

Extra cost of reinstatement

(Applicable to buildings, machinery, plant and all other property and contents, other than those specified in items (2) to (9) under basis of settlement.

This policy extends to include the extra cost of reinstatement (including demolition or dismantling) of damaged property necessarily incurred to comply with the requirements of any Act of Parliament or regulation made thereunder or any by-law or regulation of any municipal or other statutory authority; subject to the following provisions and subject also to the terms, conditions and limit(s) or sub limits of liability of this policy.

Provisions

1. The work of reinstatement (which may be carried out wholly or partially upon any other site(s), if the requirements of the aforesaid Act, regulation or by-law so necessitate, subject to the liability of the insurer not being thereby increased), must be commenced and carried out with reasonable dispatch, failing which the insurer shall not be liable to make any payment beyond the amount which would have been payable under this policy if this memorandum had not been incorporated herein.
2. The amount recoverable shall not include the additional cost incurred in complying with any such Act, regulation, by-law or requirement with which the insured had been required to comply prior to the happening of the damage.
3. If the cost of reinstatement of damaged property insured is less than fifty per cent (50%) of that which would have been the cost of reinstatement if such property had been destroyed, the amount recoverable hereunder shall be limited to:
 - a. the extra cost necessarily incurred in reinstating only that portion damaged; or
 - b. whilst applying to such property insured, the sub limit stated herein,
 - c. whichever is the greater. In the event of a sub limit not being stated in this policy the insurer's liability shall be limited to the amount as described in sub-paragraph (a) of this provision.

Acquired companies

This policy extends to include property located in Australia belonging to companies and other organisations a controlling interest in which is acquired by the insured during the currency of this policy, subject to the insured declaring details of such acquisition within a reasonable period following the date of acquisition. Provided the business of the new acquisition shall be similar to the business as stated in the certificate of insurance.

Exclusions

Property exclusions

This policy does not cover physical loss, destruction of or damage to the following property:

1. Property (except money) whilst in transit other than during the incidental movement of such property within situations occupied by the insured;
2. Money:
 - a. whilst being carried by professional money carriers, professional carriers or common carriers which is more specifically insured excepting the excess amount over and above such more specific insurance which excess is held to be covered hereunder
Provided that where in the ordinary course of business the insured enters into an agreement with such carriers and such agreement provides that the insured shall indemnify and/or hold harmless and/or release from liability such carriers in respect of loss, destruction or damage which may occur as a result of any event hereby insured against, this insurance shall operate as if this property exclusion 2(a) had been deleted;
 - b. stolen from an unlocked and unattended vehicle;
 - c. stolen from a safe or strongroom opened by a key or by use of details of a combination, either of which has been left at the situation outside business hours, unless such key or combination details have been properly secured
 - d. where the loss is not discovered within five (5) working days of the event
 - e. where the loss arises out of:
 - i. kidnapping;
 - ii. bomb threat;
 - iii. hoax;
 - iv. extortion
or any attempt thereat;
3. Jewellery, furs, bullion, precious metals or precious stones other than as stock and/or merchandise of the business;
4.
 - a. Any locomotive or rolling stock or watercraft other than as stock or merchandise of the business; provided always that no cover shall apply hereunder whilst any watercraft is on water;
 - b. Any aircraft (including its accessories and/or spare parts) other than as stock or merchandise of the business; provided always that no cover shall apply hereunder during taxiing, take-off, flight or landing;
5. Vehicles or trailers registered or licensed to travel on a public road, provided that this exclusion shall not apply to mobile plant and equipment (excluding cars, sedans, panel vans and trucks) not otherwise insured whilst on any premises occupied or used by the insured;
6. Livestock, animals, birds or fish;
7. Standing timber, growing crops and pastures;
8. Land, provided that this exclusion shall not apply to structural improvements on or in the land if such structural improvements are not otherwise excluded in this policy;
9. Bridges, canals, roadways and tunnels, railway tracks (other than on the premises occupied or used by the Insured), dams and reservoirs (other than tanks) and their contents;

10. Docks, wharves and piers not forming part of any building;
11. Mining property located beneath the surface of the ground unless otherwise expressly stated in this policy;
12. Property during the course of, and as a result of, its processing;
13.
 - a. Gates, fences, retaining walls, textile awnings and blinds;
 - b. Property in the open air unless such property comprises or forms part of a permanent structure designed to function without the protection of the walls or roof;
14.
 - a. Property undergoing construction, erection, alteration or addition when the value of work exceeds 10% of the limit of liability or \$500,000 whichever is the lesser
 - b. Empty premises undergoing demolition;
15. Oil and gas drilling and/or production rigs whilst offshore;
16. All machinery (as defined in this exclusion), electronic data processing equipment or electronic control equipment occasioned by or happening through any mechanical, electrical, electromechanical, electronic or hydraulic malfunction, failure, derangement, breakdown or non-operation of whatsoever kind.

For the purpose of property exclusion 16, machinery means any apparatus whether or not functioning independently or as any component part of a collection of apparatus which generates, contains, controls, transmits, receives, transforms or utilises any form or source of energy or power

17. Any boiler, economiser or other pressure vessel, including pipes, valves and other apparatus thereof occasioned by or arising from explosion, rupture, collapse, bursting, cracking or overheating thereof.

Perils exclusions

The insurer shall not be liable in respect of:

1. Physical loss, destruction of or damage to the property insured:
 - a. directly or indirectly occasioned by or happening through or connected with war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power;
 - b. resulting from confiscation, nationalisation, requisition or damage to property by or under the order of any government or public or local authority.

Notwithstanding the provisions of perils exclusion 1(b) the insurer shall be liable for loss, destruction of or damage to, or the cost of removal of, sound property at the premises for the purpose of preventing or diminishing imminent damage by, or inhibiting any peril insured against under this policy;

2. Physical loss, destruction of or damage to the property insured:
 - a. any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
 - b. ionising radiations or contamination by radioactivity from any nuclear waste or from the combustion of nuclear fuel. For the purpose of this exclusion only, "combustion" shall include any self-sustaining process of nuclear fission;
 - c. nuclear weapons materials;

3. Physical loss, destruction or damage other than breakage of glass occasioned by or happening through:
 - a. fire, lightning, thunderbolt, explosion, implosion, smoke and/or steam;
 - b. earthquake, subterranean fire, volcanic eruption;
 - c. impact, aircraft and/or aerial devices and/or articles dropped therefrom, sonic boom;
 - d. the act 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 catastrophe;
 - e. storm and/or tempest and/or flood (as defined) and/or rainwater and/or wind and/or hail;
 - f. water or other liquids or substances discharged, overflowing from apparatus, appliances, pipes or any other system at the premises or elsewhere including water from or action by the sea, tidal wave or high water;

4. Physical loss, destruction or damage occasioned by or happening through:
 - a. moths, termites or other insects, vermin, rust or oxidation, mildew, mould, wet or dry rot, corrosion, change of colour, dampness of atmosphere or other variations in temperature, evaporation, disease, inherent vice or latent defect, loss of weight, change in flavour texture or finish, smut or smoke from industrial operations;
 - b. wear and tear, fading, scratching or marring, gradual deterioration or developing flaws, normal upkeep or making good;
 - c. error or omission in design, plan or specification or failure of design;
 - d. normal settling, seepage, shrinkage or expansion in buildings or foundations, walls, pavements, roads and other structural improvements, creeping, heaving and vibration;
 - e. faulty materials or faulty workmanship.

5. Physical loss, destruction or damage occasioned by or happening through:
 - a. incorrect siting of buildings consequent upon:
 - i. error in architectural design or specification;
 - ii. faulty workmanship;
 - iii. non compliance by the insured (or anyone acting on behalf of the Insured) with the necessary permits issued by government, public or local authorities.
 - b. demolitions ordered by government or public or local authorities due to failure on the part of the insured or their agents to obtain the necessary permits required.

6. Physical loss, destruction or damage occasioned by or happening through:
 - a. theft of property (other than money in transit) in the open-air;
 - b. unexplained or inventory shortage, disappearance resulting from clerical or accounting errors, shortage in the supply or delivery of materials to or from the insured;
 - c. spontaneous combustion or spontaneous fermentation or heating or any process involving the direct application of heat.

7. a. Physical loss, destruction or damage occasioned by or happening through:
 - i. fraudulent or dishonest acts, fraudulent misappropriation, embezzlement, forgery, counterfeiting data corruption, unauthorised amendment of data and erasure by electronic or non-electronic means involving the property insured by the Insured or any employee(s) of the Insured acting alone or in collusion with any other person(s);
 - ii. access by any person(s) other than the Insured or the Insured's employee(s) to the Insured's computer system via data communication media that terminate in the Insured's computer system.

Provided that this exclusion shall not apply to theft consequent upon forcible and violent entry upon premises or felonious concealment upon premises committed by an employee of the insured or theft of money whilst in transit;

- b.
 - i. cessation of work whether total or partial;
 - ii. cessation, interruption or retarding of any process or operation as a result of strikes, labour disturbances or locked out workers.

Provided that perils exclusions 7(b)(i) and 7(b)(ii) shall not apply in respect of theft by strikers, locked out workers or similar persons:

- c. erosion, subsidence, earth movement or collapse resulting therefrom;
- d. kidnapping, threat, hoax, extortion or any attempt thereat.

Provided that this exclusion 7(a) to (d) shall not apply to theft of the property insured resulting from any event or peril referred to in this exclusion.

- 8. Any legal liability of whatsoever nature other than as herein provided;
- 9. Consequential loss of any kind including consequential loss due to delay, lack of performance, loss of contract or depreciation in the value of land or stock.

Conditions

Misrepresentation and non disclosure

If the insured:

- 1. failed to disclose any matter which the insured was under a duty to disclose to the insurer; or
- 2. made a misrepresentation to the insurer before this policy was entered into; and
- 3. if the insurer would not have entered into this policy for the same premium and on the same terms and conditions expressed in this policy but for the failure to disclose or the misrepresentation;

then the liability of the insurer in respect of any claim will be reduced to an amount to place the insurer in the same position in which the insurer would have been placed if such non-disclosure had not occurred or such misrepresentation had not been made or if the non-disclosure or misrepresentation was fraudulent, the insurer may avoid this policy.

Alteration

The insurer shall not be liable for loss, destruction of or damage to any property insured hereunder caused or contributed to by any alteration after the commencement of this policy:

- 1. by removal of such property from the premises other than as provided under the terms of property exclusion 1;
- 2. in the trade or processes of manufacture carried on at the premises or whereby the nature of the occupation or other circumstances affecting the premises and/or the insured's property therein contained shall be changed in such a way as to increase the risk of loss, destruction or damage;
- 3. whereby any premises containing any property insured hereunder shall become unoccupied, and so remain for a period of more than thirty days; or
- 4. whereby the insured's interest ceases except by will or the operation of law.

Provided that any such alteration, upon coming to the knowledge of the insured's officer responsible for insurance, shall be immediately notified to the insurer and, if agreed to by the insurer in writing, an appropriate additional premium paid if required.

Alarm installations

For owned premises which the law requires to be protected by an approved automatic external alarm signal in or on the premises, or installations for which the insured is responsible, the insured warrants that due diligence shall be used so that such installations shall at all times be maintained in good working order.

Cancellation

1. This policy may be cancelled at any time at the request of the insured, in which case the insurer will retain the customary short-period rate for the time this policy has been in force.
2. The insurer may also cancel this policy by giving the insured written notice to that effect where:
 - a. the insured or any person who was at any time the insured failed to comply with the duty of utmost good faith;
 - b. the person who was the insured at the time when this policy was entered into failed to comply with the duty of disclosure;
 - c. the person who was the insured at the time when this policy was entered into made a misrepresentation to the insurer during the negotiations for this policy but before it was entered into;
 - d. the insured or any person who was at any time the insured failed to comply with a provision of this policy, including a provision with respect to the payment of the premium;
 - e. the insured has made a fraudulent claim under this policy or any other policy of insurance (whether with the insurer or some other insurer) that provided insurance cover during any part of the period during which this policy provides insurance cover;
 - f. the insured failed to notify the insurer of any specific act or omission where such notification is required under the terms of this policy; or
 - g. the insured acted in contravention of or omitted to act in compliance with any condition of this policy which empowers the insurer to refuse to pay, or reduce its/their liability in respect of, a claim in the event of such contravention or omission.
3. The insurer's notice of cancellation takes effect at the earlier of the following times:
 - a. the time when another policy of insurance between the insured and the insurer or some other insurer, being a policy that is intended by the insured to replace this policy, is entered into; or
 - b. 4.00p.m. on the thirtieth business day after the day on which notice was given to the Insured.

In the event that the insurer cancels this policy, the insurer will repay to the insured a rateable proportion of the premium for the unexpired period of insurance from the date of cancellation.

Notification of claims

On the happening of any loss, destruction or damage, the insured shall forthwith give notice thereof in writing to the insurer and shall (within thirty (30) days after such loss, destruction or damage or such further time as the insurer may in writing allow), at the insured's own expense, deliver to the insurer a claim, in writing containing as particular an account as may be reasonably practicable of the several articles or portions of property lost, destroyed or damaged and of the amount of loss,

destruction or damage thereto, having regard to their value at the time of the loss, destruction or damage, together with details of any other insurances on any property hereby insured.

The insured shall use due diligence and do and concur in doing all things reasonably practicable to minimise any interruption of or interference with the business to avoid or diminish the loss and shall also deliver to the insurer a statement in writing of any claim certified by the insured's auditor, with all particulars and details reasonably practicable of the loss and shall produce and furnish all books of accounts and other business books, invoices, vouchers and all other documents, proofs, information, explanations and other evidence and facilities as may reasonably be required for investigation and verification of the claim together with (if demanded) a statutory declaration of the truth of the claim and of any matters connected therewith.

No claim under this policy shall be payable unless the insured has complied with the terms of this condition.

Fraud

If any claim be in any respect fraudulent or if any fraudulent means or devices be used by the insured or anyone acting on the insured's behalf to obtain any benefit under this policy, or if any destruction or damage be occasioned by the wilful act or with the connivance of the insured, the insurer, without prejudice to any other right(s) the insurer might have under this policy, shall be entitled to refuse to pay such claim.

Reinstatement

If the insurer elects or becomes bound to reinstate or replace any property, the insured shall at the insured's own expense produce and deliver to the insurer all such plans, documents and information as the insurer may reasonably require. The insurer shall not be bound to reinstate exactly or completely, but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend more than the applicable limit of liability.

Insurer rights

On the happening of any loss, destruction or damage in respect of which a claim is or may be made under this policy the insurer and every person authorised by the insurer may, without thereby incurring any liability, and without diminishing the right of the insurer to rely upon any conditions of this policy, enter, take or keep possession of any building or premises where the loss, destruction or damage has happened and may take possession of or require to be delivered to the insurer any of the property hereby insured and may keep possession of and deal with such property for all reasonable purposes and in any reasonable manner.

This condition shall be evidence of the leave and licence of the insured to the insurer so to do. If the insured or anyone acting on the insured's behalf shall not comply with the requirements of the insurer or shall hinder or obstruct the insurer in doing any of the abovementioned acts, then all benefits under this policy shall be forfeited. The insured shall not in any case be entitled to abandon any property to the insurer whether taken possession of by the insurer or not.

Subrogation

Any person claiming under this policy shall at the request and at the expense of the insurer do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the insurer for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which the insurer shall be or would become entitled or subrogated upon the insurer paying for or making good any destruction or damage under this policy.

If the insurer makes any recovery as a result of such action, the Insured may only recover from the insurer any amount by which the amount recovered by the insurer exceeded the amount paid to the insured by the insurer in relation to the loss.

Precautions to prevent loss

The insured shall take all reasonable precautions to prevent loss, destruction or damage to the property insured by this policy.

Insured's action after theft or damage

The insured shall, upon becoming aware of any loss by theft or of any wilful or malicious damage which may give rise to a claim under this policy, take all practicable steps to trace and recover any missing property and to discover by whom the property was stolen or damaged.

Termination of cover on liquidation

Notwithstanding anything contained herein to the contrary, if during any period in respect of which this policy is in force:

1. the insured ceases to carry on the business or any part of the business is disposed of, permanently discontinued or the insured's interest in the business or such part thereof ceases otherwise than by death; or
2. the insured (being a corporation) is placed in liquidation (or provisional liquidation), is placed under official management, enters into a scheme of arrangement, has receivers and/or managers appointed over its assets or undertaking(s); or
3. the insured (being a natural person) becomes a bankrupt or enters into a scheme of arrangement or compromise or composition with creditors;

then the insurance cover provided under this policy in respect of such business or insured shall automatically and forthwith cease.

Observance of terms and conditions

The due observance and fulfilment of these conditions and the other terms of this policy by the insured, insofar as the same are capable of being construed as such, are conditions precedent to any liability of the insurer to make any payment under this policy.

Progress payments

Provided that liability has been admitted progress payments on account of any claim may be made to the insured at such intervals and for such amounts as may be agreed upon production of a report by the loss adjuster (if appointed) provided such payment(s) shall be deducted from the amount finally determined upon adjustment of the claim.

Headings

Headings have been included for ease of reference and it is understood and agreed that the terms and conditions of this policy are not to be construed or interpreted by reference to such headings.

Jurisdiction

This insurance policy shall be governed and construed in accordance with the laws of Australia. Any dispute shall be resolved in accordance with the laws of Australia.

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