

PROFESSIONAL PROTECTION POLICY WORDING

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Important Information

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

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

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

Duty of Disclosure

Before You enter into a contract of general insurance with an insurer, You have a duty at law to disclose to the insurer anything that You could reasonably be expected to know is relevant to the insurer's decision whether to accept the risk of insurance and if so, on what terms. You have the same duty to disclose those matters to the insurer before You renew, extend, vary or reinstate a contract of general insurance.

Your duty however does not require disclosure of matter:

- that diminishes the risk to be undertaken by the insurer;
- that is of common knowledge;
- that Your insurer knows or, in the ordinary course of business, ought to know;
- as to which compliance with Your duty is waived by the insurer.

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

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

Cooling Off

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

Confirming Transactions

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

Code of Practice

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

Complaints - Internal and External Complaints Procedure

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

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

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

Goods and Services Tax (GST)

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

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

Privacy

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

The Agreement

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

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

General Definitions - Applying to all sections

Aircraft means any vessel, craft or device made or intended to fly or move in or through the atmosphere or space.

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

Damage means any physical loss, Damage or destruction as appropriate to describe the type of loss suffered to the Property Insured so as to lessen its value.

Employee means any person employed by or apprenticed to You, or hired or seconded from another party to You, or executive director or officer of Yours and over whom You have the right to control and direct in the course of Your Business but does not include a director of a corporation or a trustee of a trust while carrying out their duties as a director or trustee only.

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

Flood means the inundation of normally dry land by water overflowing, escaping, or released from the normal confines of any natural watercourse or lake, whether or not altered or modified, or of any reservoir, canal or dam.

"GST" means Goods and Services Tax.

"You, Your, Insured" means

- The named insured
- Every past, present, future director, stockholder or shareholder, partner, proprietor, officer, executive or employee of the named insured
- Any employee superannuation fund or pension scheme managed by or on behalf of the names insured and the trustees and the directors of the trustee of any such employee superannuation fund or pension scheme which is not administered by corporate fund managers
- Every person, corporation, organization, trustee or estate to whom or to which the named insured is obligated by reason of law to provide insurance such as is afforded by this policy, but only to the extent required by law and in any event only for such coverage and limits of liability as are provided by this policy
- All other parties that have a financial interest in the property and/or actively involved in the business of the insured unless otherwise insured.

"Money" means current coin, bank notes, currency notes, cheques, Australia Post Money orders, negotiable securities, sales vouchers, unused postage and revenue stamps, belonging to Your Business or for which You are legally responsible in connection with the running of Your Business.

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

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

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

Pollution or Contamination means the discharge, dispersal, release, escape or seepage of Pollutants into or upon any property or land or into the atmosphere or any watercourse or body of water (including ground water).

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

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

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

Watercraft means any vessel, craft or thing designed to float on or in, or travel through water.

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

General Conditions - Applying to all sections

1. Alteration

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

1. in Your Business, or other circumstances affecting Your Situation, which increases the risk of loss, Damage or liability occurring, or
2. if Your interest in the Situation or Business ceases or changes in nature for whatever reason.

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

2. Authorization

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

3. Automatic Reinstatement

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

4. Breach

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

5. Cancellation

The Policy may be cancelled by:

1. You at any time by notifying Us in writing. We will then refund the premium for the unexpired Period of Insurance less Our cancellation costs
2. Us only in accordance with the provisions of the Insurance Contracts Act 1984. We will then refund the premium for the unexpired Period of Insurance
3. a premium funding company only in accordance with the power of attorney granted to such company by You. We will then refund the premium for the unexpired Period of Insurance less Our cancellation costs.

6. Claims Procedure

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

You must:

1. give immediate notice to Us
2. immediately inform Us of any demand, writ or legal proceeding or of any impending prosecution, inquest, inquiry or civil proceeding in connection with any event or occurrence
3. immediately inform the Police in respect of loss or Damage caused by any suspected crime
4. give Us details of any loss concerning an occurrence in writing as soon as possible and supply such proofs as necessary.
5. not authorize repairs or replacement of lost or damaged property, other than those of a necessary temporary nature, without Our permission
6. allow Us at Our option to take over and conduct in Your name, the prosecution, defence or settlement of any claim
7. preserve in its condition at such time any products, appliances, plant or anything which could be evidence in connection with any claim
8. not make any payment, settlement or admission of liability without Our written Permission
9. notify Us of any other insurance which may cover the loss, damage or liability
10. take all reasonable steps to minimize and reduce any loss or potential loss.
11. allow us to investigate and/or conduct any negotiations and proceedings in connection with any claim.

7. Discharge of Liabilities

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

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

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

8. Fraudulent Claims

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

9. Inspection

At all reasonable times We, or Our representative or agents, have the right to enter

Your Situation and to inspect and examine any property insured under the Policy.

10. Interpretation

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

11. Misrepresentation and Non-Disclosure

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

1. reduce Our liability in respect of a claim, and/or
2. cancel or avoid the Policy.

12. Other Interests and Joint Insured's

1. The Policy covers Your interests & other interests notified and accepted by Us.
2. If the Policy covers the interest of more than one party, any act or neglect of an individual party will not prejudice the rights of any other party provided that such other party will immediately on becoming aware of such act or neglect give notice in writing to Us and pay such additional premium as We may reasonably require.
3. No interest in the Policy may be transferred without Our written consent.
4. All persons entitled to benefit under the Policy will be bound by its terms.

13. Progress Payments

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

14. Subrogation

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

15. Your Obligations

You must take all reasonable precautions to:

1. prevent or minimize loss of or Damage to property or injury to persons
2. maintain all premises, fittings and equipment in efficient working condition, including:
 - Burglar Alarms and other security devices which must be operative whenever the premises are unattended outside Your normal business hours
 - Fire protective systems which must comply with the relevant Australian standard and be operative at all times
3. comply with all statutory requirements, by-laws and regulations imposed by
4. any public authority for the safety of persons or property.

General Exclusions - Applying to sections

We will not pay for:

1. War, Terrorism, Nuclear

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

1. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power, or confiscation or nationalisation or requisition or destruction of or Damage to property by or under order of any government or public or local authority, or
2. Any Act(s) of Terrorism.
For the purpose of this Exclusion, Terrorism means an act including but not limited to the use or threat of force or violence by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which from its nature or context is committed for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public or any section of the public in fear.
3. arising from nuclear weapons material, ionising radiations or contamination by radioactivity from any nuclear fuel or from nuclear waste from the combustion of nuclear fuel. For the purpose of this exclusion only, "combustion" shall include any self-sustaining process of nuclear fission, radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste or action of nuclear fission or fusion.

2. Electronic Data

This policy does not insure:

1. total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of ELECTRONIC DATA,
2. error in creating, amending, entering, deleting or using ELECTRONIC DATA, or
3. total or partial inability or failure to receive, send, access or use ELECTRONIC DATA for any time or at all

from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur.

"Electronic Data" means facts, concepts and information converted to a form useable

for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for such equipment

1. However, in the event that a peril listed below (being a peril insured by this policy but for this exclusion) is caused by any of the matters described in paragraph (a) above, this Policy, subject to all its provisions, will insure:
 - physical loss of or damage or destruction to Property Insured directly caused by such listed peril, and/or
 - consequential loss insured by this Policy

Further, this exclusion does not apply in the event that a peril listed below (being a perils insured by this policy but for this exclusion) causes any of the matters described in paragraph (a) above

Fire, Explosion, Lightning, Windstorm, Hail, Tornado, Cyclone, Hurricane, Earthquake, Volcano, Tsunami, Flood, Freezing, Weight of Snow, Impact by Aircraft or other aerial objects dropped there from, Impact by any Road Vehicle or Animal, Bursting Overflowing Discharging or Leaking of Water Tanks Apparatus or Pipes, or Theft of Electronic Data solely where such Theft is accompanied by Theft of the computer hardware, firmware, medium, microchip, integrated circuit or similar device containing such Electronic Data

2. For the purposes of the Basis of Settlement provision in this Policy, computer systems records includes Electronic Data as defined in paragraph (a) above

Any terrorism exclusion in this Policy or any endorsement thereto prevails over this Endorsement

3. Quarantinable Infectious Disease

loss arising directly or indirectly from a quarantinable infectious disease.

For the purposes of this exclusion, a quarantinable infectious disease is defined as Highly Pathogenic Avian Influenza or any other disease declared to be a quarantinable disease under the Australian Quarantine Act 1908 and subsequent amendments.

4. Unoccupancy

loss, Damage or liability which occurs during any period in excess of sixty (60) consecutive days during which Your Situation is left unoccupied, unless with Our written consent.

5. Wear and Tear

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

6. Intentional Damage

Loss, Damage or liability intentionally caused or incurred by You, a business partner or director; a member of Your family or a person acting with Your express or implied consent or that of a member of Your family.

FIRE & PERILS SECTION

Cover

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

Definitions

"Buildings" means buildings including external lights and signs, awnings, landlords fixtures and fittings, walls, gates, fences, foundations, storage tanks, paths, driveways, services and connections, and all other improvements of a structural nature which You own or for which You are legally responsible to insure.

Buildings shall not include Property included in a project of construction, erection, alteration or addition, including the partial dismantlement of existing structures, where the total contract value of all work to be carried out at any one situation during such activity exceeds ten percent (10%) of the Sum Insured or \$100,000, whichever is the lesser. This exclusion shall only apply to the works comprising such construction, erection, alteration or addition and not to any original or existing structures.

Buildings shall not include empty premises upon which demolition work has commenced.

"Other Contents" means contents of every description belonging to You or for which You are legally responsible to insure whilst within the confines of the Building at the Situation, including:

1. office and surgery furniture, machinery, plant, tools and equipment
2. office and surgery (including computer) records, plans and designs but only for the value of materials and not for the value to You of the information therein
3. improvements, alterations or additions, which are not otherwise insured, carried out or owned by You at leased or rented premises
4. Where the Insured is a tenant of leased or rented premises:
 - Landlords fixtures and fittings for which the Insured is legally liable under the terms of a Lease or similar Agreement;
 - Alterations, decorations, fixtures and fittings installed by the Insured for his own use.
5. antiques, curios and works of art limited to \$5,000 in respect of any one article and \$25,000 in total.

"Other Contents" does not mean:

1. property more specifically described as Buildings
2. Watercraft, Aircraft, aerial devices, registered mobile plant, motor vehicles, motorcycles, caravans or trailers, including accessories, tools or spare parts whilst attached to or within the Watercraft, Aircraft, aerial devices, registered mobile plant, motor vehicles, motorcycles, caravans or trailers.;
3. jewellery, furs, bullion, precious or semi-precious stones or metals

4. money and negotiable securities
5. any living creature or organism
6. growing crops and pastures
7. plants, shrubs and trees growing in the open air

General Stock in Trade

Being Your stock and/or merchandise, manufactured, unmanufactured or in the course of manufacture belonging to You or that held by You in trust or on commission or for which You are legally responsible to insure (including customers' goods not otherwise insured) within the confines of the Building at the Situation.

Events You Are Covered For

1. Fire

Excluding fire caused directly or indirectly by:

1. spontaneous combustion, fermentation or heating in the Property Insured;
2. the Property Insured undergoing any process involving the application of heat.

These exclusions shall be limited to the item or items immediately affected and shall not extend to other Property Insured damaged by fire as a result of such spontaneous combustion, fermentation, heating or process involving the application of heat.

2. Lightning

Excluding loss or Damage caused by fluctuations in the power supply unless there is reasonable evidence of a lightning strike.

3. Explosion

Excluding destruction of or Damage to:

1. boilers and/or economisers and/or vessels under pressure and their contents arising from the explosion, implosion, rupture, collapse, bursting, cracking or overheating thereof, or
2. Property which, at the time of the happening of such destruction or damage is insured by any Boiler Explosion Policy, except in respect of any excess beyond the amount payable for such destruction or Damage to the said property by such Boiler Explosion Policy.

4. Riots, Civil Commotions and Malicious Damage

which shall mean the acts of:

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

5. Impact

1. by an aerial device, Aircraft or anything dropped or falling from an Aircraft, sonic boom, space debris or debris from a rocket or satellite;
2. by a road vehicle, Watercraft or animal other than an animal kept on the Premises;
3. by falling trees or parts of falling trees but not as a result of lopping or removing trees from the Situation;
4. by a communication tower, mast, aerial, antenna or any satellite dish or other fixture attached thereto following collapse or breakage but not including damage to such tower, mast, antenna, satellite dish or fixture unless caused by an event insured by this Policy
5. by a falling building or other structure or part thereof but not if such collapse is caused by :
 - lack of maintenance to a building or structure at the location, or
 - demolition of a building or other structure at the Situation except for demolition following loss or Damage otherwise insured by this section.

6. Water, Liquid or Substances Discharged, Overflowing or Leaking

from apparatus, appliances, pipes or systems in or about the Buildings or their close proximity including the reasonable cost of identifying and locating the source of the discharge, overflow or leakage and, if necessary, to effect repair but excluding the cost of repair or replacement of the defective part or parts of the tank, pipe or storage system which caused the Damage.

Provided that:

1. You shall at all times take all reasonable steps and use due diligence to ensure that any automatic sprinkler installation is in proper working order;
2. We shall not be liable for Damage which may occur after You become or have been made aware that the sprinkler installation is liable to accident by reason of defective construction or condition.

7. Storm and/or Tempest and/or Rainwater,

Excluding destruction or Damage caused directly or indirectly:

1. to Property in the open air, unless such Property comprises or forms part of a permanent structure designed to function without the protection of walls or roofs
2. to Buildings in the course of construction or reconstruction or to Contents and Stock therein, unless the Buildings are enclosed and under roof with all external doors and windows permanently in place
3. by water seeping or percolating through walls, roofs or floors
4. by water from or action of the Sea, Tsunami, high water, tidal wave, storm

surge.

5. erosion, subsidence, landslide or mudslide, collapse, settling or any other earth movement
6. by water entering as a result of structural defects, faulty design or faulty workmanship in the Buildings.

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

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

"Rainwater" means water falling naturally from the sky.

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

Storm Surge means the short period rise or fall of the sea level produced by a cyclone.

8. Earthquake

Subterranean fire or volcanic eruption, but excluding

1. the first \$20,000 of any loss; or
2. an amount equal to 1% of the Total Sum Insured at the Situation where the Damage occurs

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

Basis of Settlement

1. Building and Contents

(other than those specified below)

The cost of reinstatement, replacement or repair in accordance with the provisions of the Basis of Settlement Memorandum as set out herein,

If You elect to claim the indemnity value of any Damaged Property Insured We shall pay You the cost necessary to reinstate, replace or repair the Property to a condition substantially the same as but not better or more extensive than its condition at the time of the happening of the Damage taking into consideration age, wear and tear, depreciation, condition and remaining useful life.

2. General Stock In Trade

At Our option, repair or replace any lost or damaged Insured item, or pay the amount of the loss or Damage up to the market value or the Sum Insured specified in the Schedule, whichever is the lesser.

3. Business Records

(including computer systems records, documents, manuscripts, securities, deeds, specifications, plans, drawings, designs, Business books and other records of every description)

The cost of reproducing or restoring same, including information contained therein or thereon, but excluding the value to You of the said information, or, if such is not required, the replacement cost of materials at the time and place of the Damage.

4. Raw Materials, Supplies and Other Merchandise Not Manufactured By You

The replacement cost at the time and the place of replacement or, if such Property Insured is not replaced, the value thereof at the time and place of the Damage.

5. 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.

6. 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 restocking such goods.

Memoranda

Reinstatement & Replacement

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

Reinstatement and replacement shall mean:

1. where the Building is destroyed, the rebuilding thereof or, in the case of Other Contents, the replacement thereof by similar property, in either case in a condition equal to but not better nor more extensive than its condition when new
2. where Damage occurs, the repair of such Damage and the restoration of the damaged portion to a condition substantially the same as but not better nor more extensive than its condition when new.

Special Provisions

1. The work of rebuilding, replacing or restoring, as the case may be (which may be carried out upon another site, and in any manner suitable to Your requirements but subject to Our liability not being increased), must be commenced and carried out with reasonable dispatch, failing which We shall effect settlement on an indemnity basis.
2. When any property insured to which this memorandum applies is damaged in part only, Our liability shall not exceed the sum representing the cost which We could have been called upon to pay for reinstatement if such property had been wholly destroyed.
3. Each of the items insured under this memorandum is declared to be separately subject to the following Co-insurance Clause:

- In the event of Damage to the Property Insured:

Where the Basis of Settlement is reinstatement and replacement.
We shall be liable for no greater proportion of the Damage than the Sum Insured at the Situation bears to eighty five percent (85%) of the reinstatement or replacement cost of the Property Insured on the day of commencement of the Period of Insurance (as if it had been totally destroyed) provided that Our liability shall not exceed the Sum Insured stated against each item in the Schedule.

Where the Basis of Settlement is Indemnity.
We shall be liable for no greater proportion of the Damage than the Sum Insured at the Situation bears to eighty five percent (85%) of the current value of the Property Insured, provided that our liability shall not exceed the Sum Insured stated against each item in the Schedule.

- Co-insurance will not apply if the amount of the Damage is less than five percent (5%) of the Sum Insured
4. No payment beyond the amount which would have been payable under the Policy if this extension had not been provided shall be made until a sum equal to the cost of the reinstatement shall have been actually incurred.

5. All other insurances covering the Property affected by or on Your behalf shall be on a similar reinstatement basis.
6. Where by reason of-any of the above Special Provisions no payment is to be made beyond the amount which would have been payable under the Policy if this extension had not been provided, Our and Your rights and liabilities in respect of the destruction of Damage shall be subject to the terms and conditions of the Policy, as if this extension had not been included.

Extra Cost of Reinstatement

This Policy extends to include the extra cost of reinstatement (including demolition or dismantling) of the Property destroyed or Damaged (excluding stock), necessarily incurred to comply with the requirements operative at the time of reinstatement, of;

1. any Act of Parliament or Regulation made there under, or
2. any By-Law or Regulation of any Municipal or other Statutory Authority.

Provided that:

1. The work of reinstatement (which may be carried out wholly or partially upon another site if such Act, By-Law or Regulation of any Municipal or other Statutory Authority so necessitate subject to Our liability not being increased) must be commenced and carried out with reasonable dispatch failing which We shall not be liable to make any payment beyond the amount which would have been payable under the Policy if this extension had not been included.
2. The amount recoverable shall not include the additional cost incurred in complying with any such Act, Regulation, By-Law or requirement with which You had been required to comply prior to the happening of the destruction or Damage.
3. Co-insurance shall not be applied to the amount recoverable under this extension and the amount specified shall not be taken into account for Co-insurance purposes in terms set out in any clause contained in the Policy.
4. If the cost of reinstatement of the Damage directly caused by any of the perils insured against is less than 50% of what would have been the cost of reinstatement of the Property Insured had such Property been destroyed, the amount recoverable shall be limited to the extra cost necessarily incurred in reinstating only that portion damaged and shall not include any extra cost in relation to any portion of the Property Insured not damaged but in any event not exceeding the sum which We could have been called upon to pay if such Property had been-wholly destroyed.

Floor Space Ratio Index (Plot Ratio)

Where Buildings are damaged and reinstatement of such Damage is limited or restricted by:

1. any Act of Parliament or Regulation made hereunder;
2. any By-law or Regulation of any Municipal or other Statutory or Public Authority, resulting in the reduction of the Floor Space Ratio Index (Plot Ratio) of the site, then We shall pay in addition to any amount payable on reinstatement of such Buildings

the difference between:

- the actual costs incurred in reinstatement subject to the reduced Floor Space Ratio Index (Plot Ratio); and
- the estimated cost of reinstatement at the time of Damage had the reduced Floor Space Ratio Index (Plot Ratio) not applied.

Provided that Our liability under this Basis of Settlement Memorandum in total shall not exceed the Sum Insured specified in the Schedule in respect of the Buildings which are the subject of the claim.

Additional Benefits

1. Accidental Breakage of Fixed External and Internal Glass and Signs

Occurring during the Period of Insurance at the Situation and not otherwise insured including the cost of reinstatement and/or replacement of frames, framework, signwriting and temporary shuttering pending replacement of the glass.

Definitions

1. External Glass
Fixed Glass in external windows, doors or sky lights forming part of the premises.
2. Internal Glass
Fixed Glass in:
 - internal partitions, internal windows and doors;
 - counters, refrigerating cabinets, showcases and fixed or removable Glass shelving and fixed mirrors including vitreous china sinks, wash basins, lavatory pans and cisterns

Exclusions applying to Additional Benefit 1 (Glass)

This Section does not insure:

- Breakage arising directly or indirectly from, or in consequence of fire, artificial heat, earthquake, subterranean fire or explosion;
- Glass which is cracked or imperfect;
- Glass when in transit or whilst being fitted into or removed from its fitting(s) or if contained in a complete item of business equipment, whilst such item is being fitted into or removed from its position;
- solar power generating panels or similar accumulator systems whether made of Glass or other artificial materials;
- Glass forming part of Stock in Trade or merchandise;
- Glass not fit for the purpose intended.
- Glassware, crystal, crockery or china.
- any claim where the premises become unattended and remain so for any period for more than sixty (60) consecutive days unless our written agreement to continue the cover has been obtained.
- Medical and Dental instruments and equipment.
- Damage where the fracture does not extend through the entire thickness of the property damaged.

2. Burglary

We will cover You in respect of physical loss or Damage to property described whilst within the Premises caused by Burglary limited to \$50,000 any one event.

"Burglary" means theft or attempted theft by any person involving:

- visible forcible and violent entry to or exit from the Premises, or
- actual or threatened armed hold up, assault or violence, or
- felonious concealment within the Premises.

Theft without forcible entry is covered up to a maximum of \$5,000 any one event.

Damage to Premises

Following Burglary, the cost of repairs to Your Premises or Premises that You are legally responsible to insure, limited to \$10,000 any one event.

Replacement of Keys and Locks

The cost of replacing locks and/or keys and/or combinations if keys and/or combinations are stolen or if there are reasonable grounds to believe the keys may have been duplicated and also the cost of opening safes as a result of theft of keys and/or combinations, to a maximum of \$2,000 any one event

Exclusions applying to Additional Benefits 2 (Burglary)

We will not pay for loss or damage:

1. to Money and negotiable securities
2. due to shortages resulting from clerical or accounting errors or loss due to errors in receiving or paying out;
3. due to unexplained inventory shortages or disappearances resulting from accounting or clerical errors;
4. to documents, patterns, models, moulds, dies, plans or designs unless specified in the Schedule;
5. due to theft in which any member of Your household is involved as a principal or accessory;
6. due to theft involving the collusion, fraudulent embezzlement or fraudulent misappropriation by You, Your partners or directors or any person employed by You;
7. from a safe, strongroom or security enclosure opened by a key or by use of the details of the combination either of which has been left on the premises during non-business hours;
8. to livestock, birds, fish and animals.
9. arising during or as a result of fire, earthquake, riot or civil commotion
10. of any consequential kind or nature.

3. The Costs and Expenses

Necessarily and reasonably incurred for the:

1. purpose of extinguishing fire at or adjacent to the Buildings and threatening to involve the Buildings
2. temporary safety of the Property Insured pending repair or replacement following destruction or Damage by any insured peril up to but not exceeding \$10,000 in respect of any one loss.

4. Architects, Surveyors and Consulting Engineers Fees

For estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in repair or reinstatement following destruction or Damage to the Property Insured (other than costs, fees and salaries for preparing any claim) up to an amount of \$50,000

5. The Cost of Removal of Debris

Demolition, Dismantling and any temporary repairs necessary following destruction or Damage to the Property Insured by any insured peril up to an amount of \$50,000 or the sum nominated in the Schedule, whichever is the greater.

However, the Indemnity provided shall not apply to or include liability:

- assumed by You under any agreement unless such liability would have attached to You in the absence of such agreement;
- that You may incur as a consequence of Pollution or contamination of any kind.

6. Temporary Removal

Damage to Property Insured whilst temporarily removed to any other Premises in Australia and whilst in transit between Your Situation and such other location.

The following property is not covered:

1. Motor vehicles other than forklift trucks and similar appliances not otherwise insured used for hauling, conveying or lifting goods at Your Premises.
2. Property Insured which has been removed for a period in excess of ninety (90) days except with Our written consent.
3. Damage by or resulting from Water or Impact of any kind whilst such Property Insured is in transit or in the open air.

7. Accidental Damage

We will cover You for accidental loss or Damage to Buildings, Stock or Other Contents whilst at Your Situation limited to \$50,000 any one event, but excluding:

1. loss or Damage to:
 - Buildings, Stock or Other Contents in respect of which a Sum Insured is not shown in the Schedule
 - any Property excluded by this Section
 - any Property whilst in transit other than during incidental movement of such

- property within Your Situation
 - machinery, electronic data processing equipment or electronic control equipment occasioned by or happening through any mechanical, electrical, electro-mechanical, electronic or hydraulic malfunction, failure or derangement, breakdown or non-operation of any kind
 - glass other than forming part of Stock
 - Property undergoing reconstruction, construction, demolition, repair or maintenance
- 2. loss or Damage caused by:
 - any other Event listed in this Section
 - a cause or occurrence otherwise excluded anywhere in this Section
 - unloading or delivery to, or loading prior to dispatch from, Your Situation
- 3. theft, attempted theft or unexplained inventory shortages
- 4. claims arising out of:
 - latent defect
 - any manufacturing, processing, packaging or assembly process
 - normal settling, seeping or shrinkage in Buildings or foundations, walls, pavements, driveways or other structural improvements
 - corruption, amendment, erasure or interference with computer software
- 5. Damage caused directly or indirectly by:
 - shrinkage, expansion, inherent vice, mould, mildew, dampness or dryness of the atmosphere
 - moths, vermin, termites or other insects
 - mechanical derangement and mechanical, structural or electrical breakdown
 - faulty materials or faulty workmanship
- 6. the cost of recreating computer records or programs

8. General Property of Medical Bag and Equipment

We will cover You in respect of physical loss or Damage to Medical Bags, (including contents, palm-pilots, laptops & other like equipment used in the insured's business) whilst anywhere within Australia limited to \$5,000 any one event, but excluding.

1. loss or Damage arising:
 - in connection with any Property undergoing a trade process, dyeing, cleaning, repairs or renovation
 - through theft from any unattended vehicle unless all opening windows, doors and boot are closed and locked
 - through theft from carrying compartment of any utility, truck or trailer where such compartment is either open or covered only with a tarpaulin or something of similar material
 - as a result of theft or any attempted theft by, or in collusion with, any members of Your staff or household or persons working or residing on the premises.
2. loss either by disappearance or by shortage if such disappearance or shortage is not traceable to any event or is only revealed when an inventory is made.

9. Fusion

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

We shall not be liable under this Additional Benefit for:

1. loss of use, wear & tear, depreciation for equipment over 10 years old
2. loss, destruction of or Damage to:
 - lighting or heating elements, fuses or protective devices;
 - electrical contacts at which sparking or arcing occurs in ordinary working.

Our liability shall not exceed \$10,000 for any one loss or series of losses arising out of any one event or occurrence at any one Situation.

10. Plants and Landscaping

We will cover You in respect of physical loss or Damage to growing plants, shrubs, garden plots and lawns (including rock work and ornamentation and edging pertaining thereto) damaged by an Insured Event other than Storm and/or Tempest and/or Rainwater and/or Pollution and contamination, limited to \$10,000 any one loss.

11. Costs of Clearing Drains

We will cover You for the reasonable costs of clearance of drains including expenses necessarily incurred in clearing and/or repairing drains, gutters, sewers and the like, at or in the vicinity of Property hereby insured limited to \$10,000 any one loss.

12. Personal Property of Employees and Others

We will cover You for Damage to personal property, tools and effects (including Money) of directors, partners and employees whilst on the Insured's premises or at work sites and Damage to visitors' personal effects (including Money) whilst on the Insured's premises, but only to the extent that such property is not otherwise insured.

Our liability shall not exceed \$5,000 for any one loss or series of losses arising out of any one event or occurrence at any one location.

13. Mortgage Discharge

We will cover you for costs and other expenses not exceeding \$10,000 necessarily incurred by You to discharge Your mortgage following a total loss to Buildings insured under this Section.

14. Temporary Protection

We will cover you for the reasonable costs and expenses necessarily incurred, consequent upon Damage, for:

1. temporary protection and safety of Property Insured at the Situation pending repair or replacement;

2. removal of Property Insured and for any Damage resulting from such removal if the purpose of the removal was to prevent or diminish imminent Damage or to inhibit the spread of Damage.

15. Additional Extra Cost of Reinstatement

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

Provided that the indemnity afforded by this clause:

1. shall be limited in respect of each loss or series of losses arising out of any one event to \$150,000.
2. shall not include the additional cost incurred in complying with any such Act, regulation, by-law or requirement by which You have been duly required to comply prior to the happening of the damage;
3. shall not be subject to Co-insurance

The work of reinstatement (which may be carried out wholly or partially upon another site or sites if the aforesaid Act, by-law or regulation so necessitates subject to Our liability not being thereby increased) must be commenced and carried out with reasonable dispatch, failing which We shall not be liable to make any payment beyond the amount which We would have paid if this Additional Benefit had not been incorporated herein.

16. Refrigerated Foods/Stock

The policy will cover loss of or damage to foods or stock caused by one or more of the following events:

1. A change in the temperature as a result of:
 - The breakdown of the refrigeration or freezer unit in which the refrigerated food or stock is kept;
 - Malfunctioning or failed thermostats, pressure controls, or limiting/controlling protection devices;
 - Accidental failure of the public supply services, or
 - Sudden leak of refrigeration or freezer unit in which the refrigerated food or stock is kept
2. Contamination of the refrigerated food or stock by leakage of the Refrigerant

The maximum amount we will pay for any claim under this benefit is \$5,000.

LOSS OF GROSS FEES SECTION

Cover

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

Gross Fees

The insurance in respect of "Gross Fees" is limited to loss of Gross Fees due to (1) Reduction in Gross Fees and (2) Increase in Cost of Working and the amount payable as indemnity shall be:

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

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

Provided that if the Sum Insured for Gross Fees at the commencement of each Period of Insurance is less than the amount of the Annual Gross Fees (or the proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

Definitions

Gross Fees: the money paid or payable to You for work done or services rendered in the course of the Business at the Premises

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

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

Annual Gross Fees*: the Gross Fees paid or payable during the financial year immediately before the date of the Damage.

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

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

Additional Benefits

1. Claim Preparation Costs

To cover reasonable professional fees as may be payable by You, necessarily incurred by You and not otherwise recoverable, for preparation of claims under this Policy up to \$20,000 but not exceeding the Sum Insured stated in the Schedule.

2. Book Debts

To cover sums due to You, up to the Sum Insured stated in the Schedule, from customers which You are unable to collect as a consequence of Damage as a result of any Insured Event in the Fire and Perils Section of this Policy.

In addition We will pay collection expenses in excess of normal collection costs made necessary because of such Damage as well as interest charges at ruling bank rates on any loan to offset impaired collections pending repayment of such sums made uncollectable by such Damage.

If You cannot accurately establish the total amount of accounts receivable outstanding as of the date of loss, such amount shall 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), increased or decreased by the percentage calculated under (2) above, shall 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 (c) above, shall be increased or decreased in conformity with the normal fluctuation in the amount of accounts receivable during the fiscal month involved, due consideration being given to the experience of the Business since the last day of the last fiscal month for which statements have been rendered, less:
5. the amounts of such accounts evidenced by records not suffering Damage or otherwise established or collected by You;
 - an amount to allow for probable bad debts which would normally have been uncollectable by You;
 - all unearned interest and service charges;
 - settlement on term discounts normally allowed.

3. Additional Increased Cost of Working

To cover the further additional expenditure (not otherwise recoverable under this policy) necessarily and reasonably incurred by You during the Indemnity Period to resume or maintain the normal running of the Business. The liability of the Insurer(s) shall not exceed \$50,000 for any one loss or series of losses arising out of any one event or occurrence at any one location.

4. Closure By Order Of A Public Authority

Loss as insured by this policy resulting from interruption of or interference with the Business directly or indirectly arising from closure or evacuation of the whole or part of the premises or other premises in the vicinity or the Premises by order of a competent public Authority directly or indirectly arising from infectious or contagious human disease occurring at such premises or from a threat or fear of violent damage to such premises and/or injury to persons therein shall be deemed to be loss resulting from damage to property used by the insured at the premises.

An excess of 48 hour applies to this cover.

5. Public Utilities Memorandum

Any loss resulting from interruption of or interference with the Business directly or indirectly in consequence of Damage anywhere in Australia to any communication link, subterranean or undersea pipe or cable and/or electric power station or sub-station, gasworks, waterworks or supply line of the public supply undertaking from which the Insured obtains electric current, gas or water shall be deemed to be loss resulting from Damage to Property used by the Insured at the premises. It shall not be a condition precedent to liability under this endorsement that payment shall be made or liability admitted for damage under Section 1 of the policy.

An excess of 48 hours applies to this cover

MONEY SECTION

Cover

We will cover You up to the Sum Insured stated in the Schedule in respect of loss of Money whilst the Money is:

1. Transit

In transit within Australia to or from Your Situation in the custody of You or Your authorized Employees, and whilst contained in a night-Safe/automatic teller machine at Your usual Bank. Our liability for Money in a night-Safe/automatic teller machine ends once the Money is removed by Bank personnel.

2. Residence

In the custody of You or Your authorised employees, while contained in Your or Your Employee's private residence within Australia. Our liability for such Money will cease at Bank closing time on the next Bank business day following that on which the transit of the Money to the private residence was completed.

3. Premises (Out of Safe)

At Your Situation during Business Hours. Our liability outside Business Hours is limited to \$5,000.

4. Premises (In a Safe)

At Your Situation whilst contained in a securely locked Safe.

Definitions

"**Bank**" means a bank, credit union or similar financial institution

"**Money**" means current coin, bank notes, currency notes, cheques, Australia Post money orders, negotiable securities, sales vouchers, unused postage and revenue stamps, belonging to Your Business or for which You are legally responsible in connection with the running of Your Business.

"**Business Hours**" means Your usual working and office hours when You or Your authorised Employees are at the Situation for the purpose of Your Business.

"**Safe**" means a burglar resistant container which has been designed to resist fire and attack by hand-held or power operated tools and has been specifically designed for the storage of Money and valuables.

Exclusions

We will not pay for loss:

1. From a Safe or strongroom whilst unlocked.
2. From a Safe or strongroom opened by a key or by the use of details of the combination either of which have been left unattended at any time at Your Situation.

However, We will pay if the key or combination is stolen from the area within the premises occupied by You as a private residence, providing such area was forcibly and violently entered.

3. From an unlocked vehicle.
4. Due to a shortage arising from clerical or accounting errors or loss due to errors in receiving or paying out.
5. Of more than \$5,000 for theft or dishonesty committed by You, Your partners or directors, any of Your employees or by any member of Your family
6. Whilst Your Money is in the care, custody and control of a professional or common carrier, not including Your employees.
7. Not discovered within 10 working days of the Loss occurring, unless committed by your partners, directors, employees, or any member of your family where 60 days applies.
8. Of any consequential kind or nature.

LEGAL LIABILITY SECTION

What we cover you for

1. Legal Liability

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

- Personal Injury; or
- Property Damage;

which:

- happens during the Period of Insurance; and
- is caused by an Occurrence and happens in connection with Your Business;

provided that:

- Our liability for all compensation payable in respect of any claim or a series of claims caused by or arising out of one Occurrence shall not exceed the Limit of Liability;
- All claims for compensation that result from one original source, or one original cause, shall be considered to have been caused by a single Occurrence; and
- Our total aggregate liability during any one Period of Insurance for Product Liability claims shall not exceed the Limit of Liability

2. Costs & Expenses

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

- expenses incurred by Us in defence of a claim;
- costs awarded against You and all interest accruing after judgement until We have paid, tendered or deposited in court that part of any judgement which does not exceed the Limit of Liability;
- reasonable costs and expenses, other than loss of earnings, incurred by You with Our written consent; and
- costs or expenses incurred by You for rendering first aid to others at the time of any Personal Injury;

provided that:

- if to dispose of or settle a claim covered under this Policy, compensation is payable in excess of the Limit of Liability, Our liability in respect of these costs and expenses will be limited to the proportion of the costs and expenses as the Limit of Liability bears to the total compensation payable to dispose of or settle the claim;
- We will not pay for any costs or expenses that are incurred after We have paid or agreed to pay an amount equal to the Limit of Liability; and

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

Exclusions

1. Vehicles

Liability caused by or arising out of the use of or ownership or operation by You of any Vehicle which is legally required to be registered or legally required to be insured. This Exclusion shall not apply to:

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

2. Aircraft and Watercraft

1. liability caused by or arising out of the ownership, maintenance, servicing, operation or use by You of:
 - any Aircraft; or
 - any Watercraft exceeding 8 metres in length, except where such Watercraft is not owned by You but used by You for business entertainment;
2. liability caused by or arising out of Products that You could reasonably be expected to know are installed in or on any Aircraft; or
3. liability caused by or arising out of the use by You as a landing area for Aircraft of any property or structure owned occupied or controlled by You. The term "landing area" includes any area on which Aircraft taxi, land, take-off, are housed, maintained or operated.

3. Employment Liability

1. Personal Injury to any employee arising out of or in the course of their employment in Your Business. This exclusion does not apply in respect of Your liability for injuries which are not compensated under the workers' compensation legislation in Queensland in respect of Occurrences where employment is not the major factor causing the injury;
2. liability caused by or arising out of any provision of any workers' compensation legislation or any industrial award or agreement or determination; or

3. liability for which You are or would have been entitled to seek indemnity under any policy of insurance required to be taken out pursuant to any legislation relating to workers' or workmens' compensation including any legislation of any State or Territory (whether insurance is effected or not).

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

4. Professional Services

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

This exclusion shall not apply to:

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

5. Libel and Slander

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

1. made prior to the commencement date of this Policy;
2. made by You or at Your direction knowing it to be false; or
3. related to advertising, broadcasting or telecasting activities conducted by You or on Your behalf.

6. Product Recall

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

7. Product Defect

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

8. Faulty Workmanship

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

9. Loss of Use

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

1. a 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 warranted or represented by You. This exclusion shall not apply to loss of use of other tangible property resulting from sudden and accidental physical damage to or destruction of Your Products after Your Products have been put to use by any person or organisation other than You.

10. Property in Your Physical or Legal Control

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

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

11. Contractual Liability

Liability assumed by You under any contract, warranty or agreement.

This exclusion shall not apply to:

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

12. Asbestos

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

13. Pollution

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

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

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

14. Radioactivity/Nuclear Weapons

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

1. ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exclusion only, combustion shall include any self-sustaining process of nuclear fission; or
2. nuclear weapons material.

15. War

Liability arising out of or in consequence of war, invasion, act of foreign enemy, 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.

16. Fines and Penalties

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

17. Territorial Limits

Liability occurring outside Australia.

This exclusion will not apply to claims arising from:

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

18. Legal Jurisdiction

Liability:

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

19. Assault and Battery

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

20. Pipes and Cables

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

21. Internet Operations

Liability directly or indirectly caused by or arising from Your Internet Operations. Internet Operations shall mean any of the following:

1. use of electronic mail systems by You, Your employees or by any other person with Your permission; or
2. access through Your network to the world wide web or a public internet site by You, Your employees or by any person with Your permission; or
3. access to Your intranet (meaning internal company information and computing resources) which is made available through the world wide web; or
4. the operation and maintenance of Your web site.

This Exclusion will not apply to liability arising out of any material which is already in print by the manufacturer in support of its products which is also reproduced on Your web site, but the Exclusion will still apply to any other advice or information located on Your site that is used for the purpose of attracting customers.

For the purposes of this Exclusion, "employee" means any person engaged under a contract of service or apprenticeship with You.

22. Electronic Data

Liability directly or indirectly caused by or arising out of:

1. the communication, display, distribution, or publication of Electronic Data; or
2. the total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data; or
3. any error in creating, amending, entering, deleting or using Electronic Data; or
4. the total or partial inability or failure to receive, send, access or use Electronic Data for any time or at all from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur.

23. Terrorism

Liability directly or indirectly caused by, arising out of or in consequence of any act of Terrorism.

For the purpose of this Exclusion, Terrorism means an act including but not limited to the use

or threat of force or violence by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which from its nature or context is committed for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any Government and/or to put the public or any section of the public in fear.

This Policy also excludes liability directly or indirectly caused by, arising out of or in consequence of any action taken in controlling, preventing, suppressing or in any way relating to any act of Terrorism.

24. Genetically Modified or Engineered Organisms (GMO)

Liability directly or indirectly caused by or arising out of the manufacture, importing, growing, blending, mixing or distributing of Genetically Modified or Engineered Organisms (GMO)
For the purpose of this Exclusion, a Genetically Modified or Engineered Organism is defined to be a living plant, animal or microbe that has been altered by the addition or modification of a gene through the process of genetic engineering and contains genes or portions of genes from unrelated organisms.

25. TSE

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

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