



Unoccupied Property Insurance

Product Disclosure Statement and Policy Wording

INDEX

YOUR POLICY	3
COMPLAINTS AND DISPUTES	4
HOW TO MAKE A CLAIM.....	5
CLAIMS NOTIFICATION.....	5
GENERAL DEFINITIONS	8
INTRODUCTION.....	10
UNDERSTANDING IMPORTANT TERMS & CONDITIONS OF YOUR POLICY	10
GENERAL CONDITIONS APPLICABLE TO ALL POLICIES OF THIS COMBINED WORDING	13
GENERAL EXCLUSIONS.....	19
SECTION 1 PROPERTY DAMAGE	23
COVER	23
DEFINITIONS	23
OPTIONAL BENEFITS	23
EXTENSION 1.....	25
EXCLUSIONS APPLICABLE TO SECTION 1 AND OPTIONAL BENEFITS.....	26
SECTION 2 PROPERTY OWNERS LIABILITY.....	27
COVER	27
DEFINITIONS	27
EXTENSION 2.....	27
LIMITS OF LIABILITY.....	27
EXCLUSIONS APPLICABLE TO SECTION 2.....	27
CONDITIONS.....	28

Your Policy

Welcome to **Your** Mainstay Underwriting Unoccupied Property Policy and thank **You** for choosing Mainstay Underwriting. The information **You** have given **Us** is relied on when **We** enter into **Your** contract of insurance. This policy wording together with the Schedule and endorsements (if any) set out the details of **Your** contract of insurance. **You** should read them carefully and keep them in a safe place. **You** will need the documents if **You** have to make a claim.

Your wording is divided into a number of Coverage Sections and must be read together with the Schedule and endorsements (if any). **We** issue to **You**. **Your** Schedule will show **You** which Coverage Sections **You** have chosen. If **Your** Schedule is incorrect return it to **Your** insurance broker for alteration. **You** will only be covered under a Coverage Section if the Schedule specifies the Coverage Section has been chosen by **You**.

Important

We recommend that **You** read this policy wording, the Schedule and endorsements (if any) to make sure that this Insurance meets **Your** needs. If **You** have any questions, please contact **Us** or **Your** insurance broker.

Who is Mainstay Underwriting?

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

Mainstay Underwriting acts as an agent for and on behalf of Certain Underwriters at Lloyd's. Mainstay Underwriting does not act for **You** or on **Your** behalf.

You may contact Mainstay Underwriting Pty Ltd Through **Your** insurance intermediary or broker or by writing to Mainstay Underwriting:

Mainstay Underwriting Pty Ltd

Address: Suite 29, 42 Bundall Road, Bundall, QLD, 4217

Phone: 07 5680 9945

Email: Risk@MainstayUnderwriting.com.au

Welcome to the Lloyd's market

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

Around 80 syndicates are underwriting insurance at Lloyd's, covering all classes of business. Together they interact with thousands of brokers daily to create insurance solutions for businesses in over 200 countries and territories around the world. Lloyd's insures the majority of FTSE 100 and Dow Jones industrial average companies.

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

General Insurance Code of Practice

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

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

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

Complaints and Disputes

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

Mainstay Underwriting Dispute Resolution Manager

Write to **Us** at: Suite 29, 42 Bundall Road, Bundall, QLD, 4217

Telephone: 07 5680 9945

Email: Complaints@MainstayUnderwriting.com.au

We will acknowledge receipt of **Your** complaint and do **Our** utmost to resolve the complaint to **Your** satisfaction within 10 business days.

If **We** cannot resolve **Your** complaint to **Your** satisfaction, **We** will escalate **Your** matter to Lloyd's Australia who will determine whether it will be reviewed by their office or the Lloyd's UK Complaints team. Lloyd's contact details are:

Lloyd's Australia Limited

Email: ldraustralia@lloyds.com

Telephone: (02) 8298 0783

Post: Suite 1603 Level 16, 1 Macquarie Place, Sydney NSW 2000

A final decision will be provided to **You** within 30 calendar days of the date on which **You** first made the complaint unless certain exceptions apply.

You may refer **Your** complaint to the Australian Financial Complaints Authority (AFCA), if **Your** complaint is not resolved to **Your** satisfaction within 30 calendar days of the date on which **You** first made the complaint or at any time. AFCA can be contacted as follows:

Telephone: 1800 931 678

Email: info@afca.org.au

Post: GPO Box 3 Melbourne VIC 3001

Website: www.afca.org.au

Your complaint must be referred to AFCA within 2 years of the final decision, unless AFCA considers special circumstances apply. If **Your** complaint is not eligible for consideration by AFCA, **You** may be referred to the Financial Ombudsman Service (UK) or **You** can seek independent legal advice. **You** can also access any other external dispute resolution or other options that may be available to **You**.

The Underwriters accepting this Insurance agree that:

1. If a dispute arises under this Insurance, this Insurance will be subject to Australian law and practice and the Underwriters will submit to the jurisdiction of any competent Court in the Commonwealth of Australia;
2. Any summons notice or process to be served upon the Underwriters may be served upon:
Lloyd's Underwriters' General Representative in Australia
Suite 1603, Level 16
1 Macquarie Place, Sydney NSW 2000
who has authority to accept service on the Underwriters' behalf;
3. If a suit is instituted against any of the Underwriters, all Underwriters participating in this Insurance will abide by the final decision of such Court or any competent Appellate Court.

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

How To Make A Claim

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

Claims Notification

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

1. Contact either
 - a. **Your** insurance adviser
 - b. Contact Mainstay Underwriting:
Mainstay Underwriting Pty Ltd
Suite 29, 42 Bundall Road
Bundall, Queensland, 4217, Australia
Office: +61 (0)75680 9945
Email: Claims@MainstayUnderwriting.com.au
 - c. Contact **Our** Third Party Claims Administrator:
Insurx Pty Ltd
Unit 1, 149 Beauchamp Road
Matraville, NSW, 2036, Australia
Email: mainstayclaims@insurx.com.au
Office: 02 8233 3188
2. As soon as practicable send **Us** any court documents or other communication **You** receive about the claim.

When loss, damage or personal injury occurs, **You** must:

1. As soon as possible, take reasonable steps to prevent further loss or damage.
2. As soon as possible make a report to the police if:
 - a. **You** know or suspect that **Your** property has been stolen;
 - b. someone has broken into **Your** premises; or
 - c. someone has caused malicious damage to **Your** property.
3. Preserve and retain any damaged property and make it available for inspection by **Us** or **Our** agent (including a loss adjuster).
4. Not make any admission of liability, in connection with any event; negotiate or promise anyone a payment; dispose of any damaged property; accept any payment (including excess payments) from anyone; not incur any costs or expenses or authorise repairs (other than necessary temporary repairs) unless **We** agreed in writing first.

What **You** must agree to if **You** claim

1. **You** must provide proof of ownership of any lost or damaged property. Proof could include receipts, valuations or warranties.
2. Give **Us** any information and help **We** need to handle the claim. This can include agreeing to be interviewed and providing relevant documents **We** ask for

When **You** have made a claim

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

When You submit a claim:

We require that **You** give **Us** all information and assistance **We** may need:

1. to settle or defend claims; or
2. to recover from others any amount **We** have paid for a claim.

You must allow Us to:

1. make admissions, settle or defend claims on **Your** behalf; and
2. take legal action in **Your** name against another person to recover any payment **We** have made on a claim before **We** have paid **Your** claim, or whether or not **You** have been compensated or paid in full for **Your** actual loss.
3. **You** must allow **Us** or **Our** agent to enter **Your** premises or make them available to **Us** for inspection.
4. **You** must allow **Us** or **Our** agent to take possession of any damaged property and deal with it in a reasonable manner. If **We** do not take possession of the damaged property **You** cannot abandon it to **Us**.

We will make progress payments on claims at intervals to be decided by **Us** following receipt of an interim report from **Our** loss adjuster or representative.

Fraudulent claims

If **You** or someone acting on **Your** behalf makes a false or fraudulent claim, **We** may:

1. refuse to pay the claim;
2. cancel the policy;
3. take legal action against **You**; or
4. do any or all of the above.

Waiver of Your recovery rights or hold harmless agreement

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

When We may refuse a claim

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

1. **You** do not do what **Your** duty of disclosure requires **You** to;
2. **You** are not truthful;
3. **You** have not given **Us** full and complete details.

Insurer's Liability Several Not Joint

The liability of an **Insurer** under this contract is several and not joint with other **Insurers** party to this contract. An **Insurer** is liable only for the proportion of liability it has underwritten. An **Insurer** is not jointly liable for the proportion of liability underwritten by any other **Insurer**. Nor is an **Insurer** otherwise responsible for any liability of any other **Insurer** that may underwrite this contract. The proportion of liability under this contract underwritten by an **Insurer** (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp. This is subject always to the provision concerning "signing" below.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an **Insurer**. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members.

A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other **Insurer** that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Proportion of Liability

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

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

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

General Definitions

The following words and expressions have the meanings given to them below and apply to all Sections of this policy, unless these words are defined differently in the relevant section of the Policy:

Annual Gross Rentals

Gross rentals in one calendar year.

Asbestos

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

Building(s)

The building(s) situated at the Premises which include;

- landlord's fixtures and fittings
- annexes, gangways, outbuildings and extensions, tenants improvements for which the landlord is responsible under the terms of the lease or other agreement under which the property is let
- canopies, fixed signs, gangways, lamp posts and street furniture
- walls, gates and fences
- drains, sewers, piping, ducting, cables, wires and associated control gear and accessories on the building and extending to the public mains, but only to the extent of **Your** responsibility for that property
- yards, car parks, roads and pavements, forecourts, which are constructed of solid materials
- landscaping, excluding external ponds and lakes Belonging to the **Insured** or for which the **Insured** is legally responsible or has assumed liability to insure under a written contract.

Bushfire

A wildfire that occurs through vegetation such as, woodland, scrubland, grassland, forest or savannahs.

Business

The business or occupation described in the Schedule, including Ownership by the **Insured** of the **Property Insured** including:

- maintenance, occupation or use of the **Property Insured** by the **Insured**
- the provision and management of canteen, sports, social or welfare organisations for the benefit of Employees and fire, security, first aid, medical and ambulance services
- private work undertaken with the prior consent of the **Insured** by Employees for any director or senior official of the **Insured**.

Coverage Section

A section of this Policy that sets out the terms of Insurance.

Damage(d)

Loss or destruction of or physical damage to the **Property Insured**.

This shall mean all individual losses or damage arising out of and directly occasioned by one event. **Declared Value**

Declared Value

A sum declared by **You** for **Property Insured**.

Specified Event

Fire, lightning, explosion, aircraft impact and any other peril specified in the Schedule as a "Specified Event".

Employee(s)

Any person while employed by **You** in the Business who **You** compensate by salary, wages or commission and have the right at all times to govern, control and direct in the performance of their work.

Employment Practices

Any wrongful or unfair dismissal, denial of natural justice, defamation, misleading representation or advertising, harassment or discrimination in respect of the Named Insured's Employees.

Excess

The first part of each and every loss, claim, event or Damage which the Insured must pay, as shown in the Schedule.

Glass

Glass (including plastic material used as glass) which belongs to **You**, or for which **You** are legally liable and including:

- external glass;
 - internal glass and vitreous china or ceramic; and
 - toilet pans, cisterns and wash basins;
- Glass does not include:
- signs;
 - expendable items;
 - glass forming part of vehicles or stock or merchandise in trade;
 - ornaments, antiques or portable glass objects;
 - chipped or cracked or imperfect glass, or glass in poor condition at the commencement of the Period of Insurance;
 - glass in electronic or printing equipment; or
 - glass in any glass house, conservatory, radio, television screen, computer screen, vase, picture, crystal, crockery, china, or glass normally carried by hand.

Flood

The covering of normally dry land by water that has escaped or been released from the normal confines of any of the following whether or not each of the following has been altered or modified:

1. a lake;
2. a river;
3. a creek;
4. another natural watercourse;
5. a reservoir;
6. a canal;
7. a dam.

Gross Rentals

The money paid or payable to the **Insured** for tenancies and associated income derived from the letting, leasing or licencing use of the Premises.

Indemnity Period

The period beginning with the occurrence of the Damage and ending not later than the number of months stated in the Schedule as the indemnity period during which the results of the Business shall be affected in consequence of the Damage.

Injury

Bodily injury, death, disease, illness or nervous shock.

Insurance

The insurance provided to **You** by this Policy.

Insured(s)/You

The person(s) or commercial entity(ies) named in the Schedule as the **Insured**.

Labour Hire Personnel or Contractor or Sub contractor

Any person engaged in any aspect of the Business of the **Insured** whilst employed by an employment agency, placement agency, labour hirer or any other company or person whose business is or includes the supply or provision of labour.

Landlords Contents

Contents of common parts, furniture, furnishings, fitted carpets, domestic appliances and fixtures and fittings all belonging to the **Insured** or for which the **Insured** is legally liable or has assumed responsibility to insure under a written contract whilst contained in the Buildings insured by this **Policy** excluding: -

- Any item of property falling under the definition of Building(s)
- Stock and materials in trade
- Property more specifically insured under a Section of Cover.

Mobile monitored back to base alarm

A back to base alarm that does not rely on a land line, but utilises a mobile connection such as a GSM, GPRS, 3,4 or 5G or similar mobile solution for communication.

Maximum amounts

Where a dollar amount is stated in a Coverage Section preceded by "Maximum:", the amount stated after "Maximum:" is the most **We** will pay for that benefit under the Policy unless a higher amount is specified for that benefit in the Schedule.

Optional Benefits

The optional benefits specified under the heading "Optional benefits" in Section 1 selected by **You** which **We** have agreed to cover and are specified as covered in the Schedule.

Period of Insurance

The period of insurance specified in the Schedule.

Premises

The places listed in the Schedule (including Buildings, yards and land within the legal boundaries of the Premises) at and from which **You** operate Your Business.

Property Insured

The Buildings and Landlords Contents at the Premises, if and to the extent they are included as **Property Insured** in the Schedule.

Policy

This policy wording, the Schedule and all endorsements

Proposal

The proposal form and any additional information supplied to **Us** by **You** or on **Your** behalf.

Renovation

Internal painting and decorating, tiling, replacement of bathroom and/or kitchen fixtures and fittings including sinks, wash basin, toilet, bath and shower, carpeting, internal joinery, plastering, installation/repair of central heating and external window replacement but excluding any structural alterations, additions or extensions.

Section

A section of this Policy.

Schedule(s)

The schedule issued by **Us** for this Policy.

Standard Gross Rentals

The Gross Rentals during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or special circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage.

Sum Insured/Limit of Indemnity

The sum or limit specified in the Schedule as applying to the Section of the Policy, Property Insured, events, claims or **Our** aggregate liability, as specified in the Schedule.

Territorial Limits

The Commonwealth of Australia only

Terrorism

An act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government or to put the public, or any Policy of the public, in fear.

Third Party Property Damage

Physical loss or damage to tangible property belonging to a party other than the **Insured**, and for which the **Insured** is not legally liable for and has not assumed responsibility to insure.

Underwriters

The underwriters/**Insurers** specified in the Schedule that provide this Insurance.

Unoccupied

When the Premises are closed for trade, untenanted or not resided at for a period in excess of seven consecutive days.

Vacant Land

Vacant Land means land not being used for any business (other than as property owner), profession, trade, manufacturing or rural activity or operation. Such land to be with or without any of the following:

- gates, fences, letter boxes, site identification pegs and signs.
- plants, trees and shrubs.
- landscaping, retaining walls, gutters, drains, paths, paving and driveways.
- underground and above ground services including aprons, supply mains and meters.

Otherwise the land to be free of any structure or structures.

We, Us, Our, Insurer

Underwriters and Mainstay Underwriting PTY LTD, ABN: 47 123 301 762, AFSL 477690 as Coverholder and agent for the Underwriters.

You, Your, Yourself, Insured

Any person, company or legal entity shown on the schedule as the Named **Insured**.

Introduction

The following is a summary of the insurance in the Mainstay Unoccupied Property Sections that are available to meet **Your** requirements.

Summary of covers (for details of actual coverage refer to relevant Coverage Section in this Policy)	
Section 1 Property Damage	This Section covers You against loss or damage to Your buildings and its contents subject to the terms of the Policy.
Optional Benefits under Section 1	You can choose to add additional optional benefits under Section 1
Section 2 Properties Owners Liability	This Section covers You against sums You become legally liable to pay in respect of damages and legal costs arising out of or in connection with accidents occurring on the Premises subject to the terms of the Policy.

Understanding important Terms & Conditions of Your Policy

Basis on which We insure You

We agree to insure **You**:

- based on the information provided in the Proposal and subject to payment of the required premium by the required date, **Cover under more than one Policy**

We will not indemnify **You** or pay for any claim under more than one Coverage Section for the same loss, Damage or liability.

Your Duty of Disclosure

Before **You** enter into the policy with **Us**, the Insurance Contracts Act 1984 requires **You** to provide **Us** with the information **We** need to enable **Us** to decide whether and on what terms **Your** application for insurance is acceptable and to calculate how much premium is required for **Your** insurance.

The Act imposes a different duty the first time **You** enter into the Policy with **Us** to that which applies when **You** renew, vary, extend, reinstate or replace the policy. **We** set these two duties out below.

Your Duty of Disclosure when You enter into the policy with Us for the first time

You will be asked various questions when **You** first apply for the Policy. When **You** answer these questions, **You** must:

- Give **Us** honest and complete answers;
- Tell **Us** everything that **You** know; and
- Tell **Us** everything that a reasonable person in the circumstances could be expected to tell **Us**.

Your Duty of Disclosure when You renew, vary, extend, reinstate or replace the policy

When **You** renew, vary, extend, reinstate or replace **Your** Policy(ies), **Your** duty is to tell **Us** before the renewal, variation, extension, reinstatement or replacement is made, every matter which:

- **You** know; or
- a reasonable person in the circumstances could be expected to know,

that is relevant to **Our** decision whether to insure **You** and whether any special conditions need to apply to the Policy(ies).

What You do not need to tell Us for either duty

You do not need to tell **Us** about any matter:

- that diminishes **Our** risk;
- that is of common knowledge;
- that **We** know or should know as an **Insurer**; or
- that **We** tell **You** **We** do not need to know.

Who does the duty apply to?

The duty of disclosure applies to **You** and everyone that is **Insured** under the Policy. If **You** provide information for another **Insured**, it is as if they provided it to **Us**.

What happens if the duty of disclosure is not complied with?

If the duty of disclosure is not complied with **We** may cancel the Policy and/or reduce the amount **We** pay if **You** make a claim. If fraud is involved, **We** may treat the Policy as if it never existed, and pay nothing.

Renewal procedure

Before **Your** Policy expires **We** will send **You** a notification of **Your** current insurance and invite **You** to complete a new Proposal. There is no automatic renewal of any insurance **We** offer. If **You** require insurance for further period of insurance, **You** will always need to complete and submit a new Proposal 14 days prior to the termination of the current policy for **Our** consideration and assessment.

Please note, insurance cover ends when the Period of Insurance ends. Once **We** have assessed **Your** further Proposal **We** will advise whether **We** intend to offer insurance and if so on what terms. It is important that **You** check the terms of **Our** renewal offer before renewing to satisfy **Yourself** that the details and content are correct. In particular, check the Sum **Insured** and limit amounts, Limit of Indemnity and Excess(es) applicable to ensure the levels of cover are applicable and correct for **Your** requirements. Please note that **You** need to comply with **Your** Duty of Disclosure before each renewal of insurance, as a renewed insurance policy is a new contract of insurance.

Interested parties

We will not insure the interests of any person other than **You**, unless **You** have notified **Us** in writing of such interest, and the interest has been noted in the Schedule.

The Goods and Services Tax (GST) and Your insurance (GST registered policyholders only) GST has an impact on the way in which claim payments are calculated under **Your** policy. **We** will calculate the amount of any payment **We** make to **You** having regard to **Your** GST status. If, for example, **We** make a cash payment to **You** for the purchase of goods or services for which **You** are entitled to claim an input tax credit, **We** will only pay **You** an amount equal to **Your** net cost – i.e. **Your** cost after claiming input tax credits. If **You** are registered for GST purposes, **You** should calculate **Your Insured** amounts or advise **Us** of **Your** asset values or turnover having regard to **Your** entitlement to input tax credits. **You** should, therefore, consider the net amount (after all input tax credits have been taken into account) which is to be **Insured** and calculate and advise to **Us Insured** amounts, asset values or turnover on a GST exclusive basis where **You** are registered for GST purposes.

If **You** are either wholly or partially input taxed, **You** are in a special category under the GST legislation, and will need to advise **Us** of **Your** sums **Insured**, asset values or turnover on a GST inclusive basis as well as the relevant percentage that applies to any input tax credit entitlements.

This outline of the effect of the GST has on **Your** policy is for **Your** general information only. **You** should not rely on this information without first seeking expert advice on the application of the GST to **Your** particular circumstances

Your Privacy and The Law

Mainstay Underwriting is dedicated to upholding **Your** privacy and protecting **Your** personal information. **We** are bound in Australia by the Privacy Act 1988 (Cth) and its associated Australian Privacy Principles.

Please visit the Mainstay Underwriting website www.MainstayUnderwriting.com.au for full details of **Our** up to date Privacy policy.

Updating this PDS

We may need to update this document which is **Our** policy disclosure statement (“PDS”) from time to time, if certain changes occur, where required and permitted by law. **We** will issue **You** with a new PDS or a supplementary PDS or other compliant document to update the relevant information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance, **We** may issue **You** with notice of this information in other forms or keep an internal record of such changes (**You** can get a paper copy free of charge by contacting **Us** using **Our** details on the back cover of this PDS).

Other documents may form part of **Our** PDS and the Policy. If they do, **We** will tell **You** in the relevant document.

AML collection of Personal Information

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

Cancellation Rights

- **You** may cancel this Policy at any time provided **You** do so in writing.
- **We** have the right to cancel the Policy where permitted by law. For example, **We** may cancel:
 - if **You** failed to comply with **Your** Duty of Disclosure; or
 - where **You** have made a misrepresentation to **Us** during negotiations prior to the issue of the Policy; or
 - where **You** have failed to comply with a provision of the Policy, including the term relating to payment of premium; or
 - where **You** have made a fraudulent claim under the Policy or under some other contract of insurance that provides cover during the same period of time that the Policy covers **You**;
 - If **You** fail to maintain the **Insured** Property in a good state of repair or alter the **Insured** Property in a way that **We** think increases the risk of loss.

and **We** may do so by giving **You** at least fourteen (14) day's notice in writing of the date from which the policy will be cancelled. The notification may be delivered personally or posted to **You** at the address last notified to **Us**.

- Where:
 - a contract of general insurance includes a provision that requires the **Insured** to notify the **Insurer** of a specified act or omission of the **Insured**; or
 - the effect of the contract is to authorize the **Insurer** to refuse to pay a claim, either in whole or in part, by reason of an act or omission of the **Insured** or of some other person;
 - and, after the contract was entered into, such an act or omission has occurred, the **Insurer** may cancel the contract.
- If **You** or **We** cancel the Policy **We** may deduct a proportion of the premium for time on risk, reasonable administrative costs related to the acquisition and termination of the Policy **We** incur and any government taxes or duties **We** cannot recover.
- In the event that **You** have made a claim under this Policy and **We** have agreed to pay a claim for **Your** Property **Insured**, no return of premium will be made for any unused portion of the premium.

Cancellation Cost

These policies may be cancelled at any time at the request of the **Insured** or by Mainstay Underwriting or the **Insurer**, in writing to the Intermediary who effected the policy.

Property insurance premiums will be refunded on the following basis;

Period of Insurance % of premium retained after deduction of pro rata cancellation cost:

Up to 4 months	50%
Up to 5 months	60%
Up to 6 months	70%
Up to 7 months	80%
Up to 8 months	90%

No refund premium is payable for periods in excess of 8 months.

Provided that:

- no claims have been made under the policy for which Underwriters have made a payment
- no claims have been made under the policy which are still under consideration
- no incident has occurred which is likely to give rise to a claim but has yet to be reported to Underwriters

There is no refund of premiums for Property Owner's Liability insurance

General Conditions applicable to all Policies of this combined wording

These General conditions are applicable to all Sections of **Your** Combined wording.

Notwithstanding any provision to the contrary or any endorsement. Failure to comply with these General Conditions may cause cancellation of **Your** cover.

Actions of parties other than You

The acts or omissions of:

- a tenant of **Yours**; or
- the owner of, or another tenant in, the **Building or Situation**; which breach any provision of this **Policy** will not affect **Your** entitlement to cover provided that:
 - the act or omission was committed without **Your** prior knowledge or complicity; and
 - **You** notify **Us** of the happening or existence of the act or omission as soon as **You** become aware of it; and
 - **You** pay any reasonable extra premium which **We** require.

Aggregation

If the causes detailed below are **Insured** by this Policy the duration and extent of any one occurrence of Damage shall be limited to:

- 24 consecutive hours for a hurricane, a typhoon, windstorm, rainstorm, hailstorm, cyclone;
- 72 consecutive hours for earthquake, tsunami, seaquake, volcanic eruption;
- 24 consecutive hours and within the limits of one city, town or village for riots, civil commotions and malicious damage;

and no individual loss from whatever **Insured** cause, which occurs from an event outside these periods shall be included in any claim for Damage caused by that event.

The **Insured** may choose for the purpose of claims under the Policy, the date and time when any such period of consecutive hours commences and if any event is of greater duration than the above period, the **Insured** may divide that event into two or more occurrences of Damage provided no two periods overlap and provided no period commences earlier than the date and time of the happening of the first recorded individual loss to the **Insured** in that event during the Period of Insurance.

Alteration to risk

If **You** become aware of any changes to the facts or circumstances which existed when this insurance commenced that change the nature of the risk (for example, the nature of **Your** Business, or other circumstances that affect the Situation or Property **Insured**) in a way that would increase the risk of loss or Damage **You** must notify **Us** in writing. If **We** agree to the change, **We** will do so in

writing and **You** must pay **Us** any additional premium **We** require.

Bankruptcy or Insolvency

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

Building / Construction Works

This policy does not provide cover for any building or construction works undertaken at the Premises or that involve or effect Property **Insured** ("Works") unless before any Works commence **We** have agreed in writing to provide cover and cover will be limited to the cover **We** agree to provide. **We** are not obliged to provide additional cover.

The only Works that will be considered for coverage under the Policy are minor works such as painting, amending flooring, fences or non-structural works and excluding any 'hot' works. If **We** agree to provide cover for Works **You** must supply a copy of **Your** contractor's Public Liability certificate of currency that applies to insurance cover whilst the Works are carried out.

Burning of Waste on the Premises

The burning of waste is prohibited on the Premises, either within the Building(s) or open area outside any building or structure.

Claim settlements – Where We agree to pay Income Tax Credits entitlement

If any Event occurs which gives or may give rise to a claim **You** must tell **Us** **Your** entitlement to Input Tax Credits for **Your** insurance premium if **You** are registered, or should be registered, for GST purposes. If **You** do not tell **Us** **Your** entitlement or the information **You** give **Us** is incorrect, **We** will not cover **You** for any resulting fines, penalties or tax charges.

Complying with Our requirements

You must comply, within a reasonable time which **We** will specify (acting reasonably), with any request made by **Us**:

- to be allowed to survey **Your** Premises or examine Property **Insured**;
- for the protection or improvement of Property **Insured**; or
- to reduce the likelihood of loss of or damage to property, breakdown, or any other loss or damage **Insured** by this Policy.

Cooking and Heating Conditions

It is a requirement that;

- all chimneys, exhausts, flues and extraction canopies to solid-fuel stoves, boilers, gas and electric cooking and heating facilities and open fires at or on the Premises are kept in a good state of repair and that they are professionally cleaned once a year, and if operational then at least every six months

- no naked flames or tools producing naked flames be present in the roof space of the Premises at any time. If the **Insured** fails to comply with any of the above conditions **We** may reduce **Our** liability for a claim by the extent of prejudice **We** suffer by reason of the breach, which may include reducing **Our** liability to nil.

Composite Panels and Cladding

Where **You** have declared to **Us** that there are composite panels or cladding within the building structure at the Premises and **We** have agreed to accept the risk, the following conditions apply;

- suitable fire extinguisher appliances are available in all cooking areas
- ducting, conduit wiring and hot flues are adequately protected within fire resistant sleeves where passing through composite panels
- at least weekly inspections are undertaken by the **Insured** to check for damage to composite panels or panel joints. Any defects found must be rectified without delay or replaced by a panel with a non-combustible core within 7 days
- no repairs will made to composite panels that involve welding, grinding, cutting or other obvious ignition sources
- all heat sources are kept at least 2 metres from any composite panelling or such panelling must have a non-combustible core
- no external storage of combustible stock, packaging, pallets, waste or waste skips or bins within 10 metres of any building at the Premises
- Notwithstanding the Heat Application clause in this Policy any work involving the application of heat will only be carried out by a qualified contractor and the **Insured** is to ensure the contractor has adequate Public Liability Insurance in force with a policy indemnity limit of not less than AUD \$10m and shall confirm same through inspection of the policy of insurance prior to the commencement of work. Subrogation rights against such contractor(s) must not be waived by the **Insured**.

The following are conditions must be complied with:

- the area in which work is to be carried out shall be adequately cleared and combustible materials shall be removed to a distance not less than 6 metres from the area of proposed work
- if work is to be carried out overhead then the area beneath shall be similarly cleared and all combustible materials removed
- suitable fire extinguisher with a capacity of not less than 9 litres shall be kept available

for immediate use at the Premises and readily accessible in the area where work is carried out

- blow lamps and blow torches shall be lit in as short a time as possible before use and extinguished immediately after use
- lighted blow lamps and torches shall not be left unattended
- half an hour after each period of work a thorough examination shall be made of and in the area in which works have been undertaken
- if work is to be carried out in the vicinity of composite/sandwich panels then such panels must be protected by non-combustible blankets, curtains or screens.

We will not cover, and have no liability for damage caused by fire except where **You** have complied with each of the conditions above.

Electrical Installations

- The **Insured** must remove from the Premises any equipment that has failed testing unless it has been repaired by a qualified professionally registered technician
- The **Insured** must hold a current
 - 'certificate of testing and safety' for electrical equipment at the Premises
 - 'certificate of testing and compliance' for electrical installation at the Premises

You are required to do this under the Electrical Safety Regulation applicable to each relevant State of Australia.

We will not cover, and have no liability for Damage caused by fire except where **You** have complied with this condition.

Requirements of certificates

You must obtain the certificates referred to in this clause within 14 days following any inspection that results in the issue of such certificates.

Certificates must state the following:

- the name and address of the person for whom the work was performed
- the details of the electrical equipment or electrical installation tested
- the day the electrical equipment or electrical installation was tested
- the electrical contractor licence number under which the electrical equipment or electrical installation was tested.

In addition to the above, a certificate must contain a suitable certification statement. For example:

- electrical equipment – a statement that certifies the electrical equipment (to the extent it is affected by the electrical work) has been tested to ensure it is electrically safe
- electrical installations – a statement that certifies the electrical installation (to the extent it is affected by the electrical work) has been tested to ensure it is electrically

safe and is in accordance with the requirements of the wiring rules and any other standard applying under the ES Regulation to the electrical installation.

If **You** do not comply with any of the above conditions **We** may reduce **Our** liability for a claim by the extent of prejudice **We** suffer by reason of the breach, which may include reducing **Our** liability to nil.

Excess

You must pay any Excess that applies to a claim under a Section of Cover for any event, claim or damage.

The Excess must be paid to **Us** or as **We** direct within the time **We** specify, acting reasonably or, alternatively, **We** may deduct the excess from the amount **We** pay for any claim.

Other Insurance

If at the time of the occurrence of any injury, loss or damage, there shall be any other indemnity or insurance of any nature, wholly or partly covering the same, **We** shall not be liable to pay or contribute towards any such injury, loss or damage except in excess of the sum or sums actually recovered or recoverable under such other indemnity or insurance.

Heat Application

The **Insured** and/or their contractor(s) must comply with the following precautions:

For application of heat by means of electric, oxyacetylene or other welding or cutting equipment or angle grinders, blow lamps, blow torches, hot air guns or hot air strippers ("Hot Work") in or at the Premises:

- the area in the immediate vicinity of the Hot Work (including in the case of work carried out on one side of a wall or partition, the opposite side of the wall or partition) is cleared of all loose combustible material; other combustible material is covered by sand or over-lapping sheets or screens of non-combustible material
- at least two adequate and appropriate portable fire extinguishers, in proper working order, are kept in the immediate area of the Hot Work being undertaken and used immediately once smoke or smouldering or flames are detected
- a person appointed by the **Insured** or the contractor must watch for signs of smoke or smouldering or flames and will take immediate steps to extinguish any smouldering or flames discovered during the Hot Work and for a period of 60 minutes after Hot Works have finished
- blow lamps and blow torches are filled in the open and are not lit until immediately before use and are extinguished immediately after use

For use of asphalt, bitumen, tar, pitch or lead heaters in or at the Premises:

- the heating is carried out in the open in a vessel designed for the purpose and, if carried out on a roof, the vessel is placed on a non-combustible heat insulating base
- The Contractor(s) using the application of heat on the Premises shall have in place appropriate Public Liability insurance with an indemnity limit of no less than AUD \$10m and shall supply a copy of the insurance policy to the **Insured** prior to the commencement of work.

Failure to comply with the above precautions may reduce **Our** liability for a claim by the extent of prejudice **We** suffer by reason of the breach, which may include reducing **Our** liability to nil. Where the protection provided by this Policy covers the interests of more than one party, any act or omission of an individual party will not prejudice the rights of the other parties to this contract of insurance.

Interpretation

In this Policy:

The singular includes the plural and vice versa. The male gender includes the female and neutral genders.

A reference in this Policy to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinate legislation issued under, that legislation or legislative provision (whether of the Commonwealth of Australia or elsewhere) (collectively the "Legislation") and any legislation enacted to govern in whole or part the objects of the Legislation.

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

Kitchen Equipment

Any commercial kitchen equipment at the Premises must be removed or disconnected prior to inception and remain so for the duration of cover

Minimum Security Requirements:

Failure to comply with the following precautions may reduce **Our** liability for a claim by the extent of prejudice **We** suffer by reason of the breach, which may include reducing **Our** liability to nil:

- all protections provided for the safety of the Premises shall be continuously maintained in good order and shall not be withdrawn altered or varied without **Our** prior consent and shall be in full and effective operation when the Premises are Unoccupied
- any alarm and/or system forming part of the protections shall be continuously maintained in full and efficient working order under a

contract to provide both corrective and preventive maintenance with the installing company and in accordance with the manufacturer's recommendations

- All external entry/exit doors are fitted with deadlock locking mechanisms which are functioning and locked at all times when the Premises are not occupied
- Windows that are readily accessible are either barred, grilled or fitted with key operated window locks which are functioning and locked at all times when the Premises are not occupied

Any claim in respect of theft will not be covered while the issue is ongoing if the **Insured** receives notification of any of the below;

- that the police authority attendance or any contractually provided attendance in response to alarm signals and/or calls from any alarm system may be withdrawn or the level of response reduced or delayed or
- from a Local Authority or Magistrate imposing any requirement for abatement of nuisance in respect of any alarm system or
- that any alarm system cannot be returned to or maintained in full working order then with immediate effect.

More Specific Coverage Section

Where more than one Coverage Section covers a claim, **We** will be liable under the Coverage Section that provides the greatest financial benefit to **You** for that claim and **We** shall not cover, or have liability for that claim under any other Coverage Section.

Non-imputation

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

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

Other notices

Any communications to **Us** under this **Policy**, must be sent by the **Insured** to **Us** at **Our** address or facsimile number specified in this **Policy**.

Planning Permission/Development Application

In the event the **Insured's** application for planning permission/consent is refused or withdrawn by the Local Planning Authority and the **Insured** fails to advise Underwriters within 7 days

Rateable Proportion Clause

If at the time any claim arises under this **Policy** there is any other existing insurance covering the same loss damage or liability, **We** shall not be

liable to pay or contribute more than a rateable proportion of any loss damage compensation costs or expense having regard to the insurance cover provided by each of the insurance policies.

Reasonable Precautions/Care/Maintenance

The **Insured** must:

- take all reasonable precautions to prevent occurrences which may give rise to damage or accidents
- take all reasonable steps to comply with statutory requirements obligations and regulations imposed by any Government or Statutory authority
- take immediate steps to make good or remedy any defect or danger which becomes apparent and take such additional precautions as circumstances may require.
- take all reasonable steps to prevent loss of or damage to property, breakdown, and loss or damage **Insured** by this Policy;
- take all reasonable care to prevent injury to another person or damage to another person's property;
- comply with all laws and safety requirements imposed by any Government or Statutory authority or by state or Commonwealth legislation;
- keep all property maintained.

Roof Maintenance Condition

You must ensure that:

- any flat roof portion of the Buildings is inspected every two years by a qualified builder or property surveyor and any defects brought to light by that inspection are repaired, and
- at commencement of and throughout the Period of Insurance **You** must have documentation evidencing that such inspections and repairs described above have taken place, and
- all gutters of Buildings are inspected and cleared every 6 months and any defects brought to light by these inspections shall be repaired immediately

Failure to comply with the above conditions may reduce liability for a claim by the extent of prejudice suffered by reason of the breach, which may include reducing liability to nil.

Mortgagees and Other Interests

- The interest of any mortgagee(s) of individual portions of the Property **Insured** must be notified to **Us** in the event of a claim.
- In addition, if, without the knowledge of **You** or mortgagee(s) or in circumstances that are beyond their control, there is a change in the use of the Premises which constitutes an increase in the risk of Damage, cover under this policy shall not be prejudiced provided that the **Insured** or mortgagees shall immediately on becoming aware thereof

give notice in writing to **Us** and on demand pay such reasonable additional premium as **We** may require.

Sprinkler Maintenance

In respect of any installation(s) of automatic sprinklers at the Premises the **Insured** must:

- make a test annually for the purpose of ascertaining that the alarm for the sprinklers is in working order and that the Stop Valve controlling the individual water supplies and the installation are fully open
- make an annual test if required by **Us** to do so for the purpose of ascertaining that each water supply is in order and record the particulars of each test
- make a test annually (holidays excepted) of
 - the Brigade connection (“test 1”)
 - the circuit between the alarm switch and the control unit (“test 2”); and
 - the batteries in respect of each approved system for the transmission of alarm signals from sprinkler installations to a Fire Brigade (collectively the “Tests”)
 - Note 1: it is permissible for test 1 to be carried out by the Fire Brigade if the latter are prepared to give a written undertaking to perform the duty
 - Note 2: where the electrical circuits in (i) and (ii) are continuously monitored tests need only be made once per week
- remedy promptly any defect revealed by the Tests
- allow **Us** access to the Premises at all reasonable times for the purpose of inspecting the sprinkler installation
- have in force during the Period of Insurance a contract with the installing engineers or appropriately qualified professional engineers providing for the maintenance of and half-yearly inspection of the sprinkler installation(s) and to obtain from them following each inspection certification that they are in satisfactory working order.

Failure to comply with the above conditions may reduce liability for a claim by the extent of prejudice suffered by reason of the breach, which may include reducing liability to nil

Survey Clause

If **We** require a survey of the Premises or Property **Insured**, **We** may appoint a surveyor within 30 days of the commencement of the Period of Insurance and **You** must provide access to that surveyor to permit the survey to be undertaken. **We** will tell **You** whether the survey will be at **Our** cost or **Yours** before the commencement of the Period of Insurance. It is an inherent requirement of cover and of any claim or liability under the Policy that where **We** require a survey that survey is undertaken. If **You** refuse to permit the survey **You** will have no cover under this Insurance and

We shall have no liability for any claim or liability from the date **You** refuse to permit the survey until the day the survey is completed.

We will revise **Our** terms, conditions and exclusions and/or revise the premium upon receipt of the survey.

The requirements identified by the Survey must be completed within the period specified by **Us**. **You** must continue to implement such requirements during the whole term of the policy and following any renewal unless otherwise agreed by **Us** in writing.

If **You** fail to implement those requirement(s) within the period(s) specified by **Us** then **We** may reduce the amount **We** pay for any claim.

In the event **We** cancel this policy because **You** have failed to comply with this condition, a return premium will be calculated on a pro-rata basis less the cost of the survey up to a maximum of \$1,000.

Tenancy Conditions Precedent

This policy covers Property that is Unoccupied, as defined, during the Period of Insurance.

Should Premises become occupied in any way, **You** must inform Mainstay Underwriting within 7 days. It is an inherent requirement of cover under the Policy, and liability for loss or damage that the Premises are Unoccupied and **We** will not cover, and will not be liable for, loss or damage caused whilst the premises are occupied for any purpose, except where **We** agree separately in writing to provide cover by an endorsement and **You** pay any reasonable additional premium **We** may require.

Under insurance

Claims under this insurance will be limited in the amount that **We** pay when **You** have a claim if **You** have understated a Sum **Insured** or Declared Value in the Proposal or request for insurance.

If **You** have understated a Sum **Insured** or Declared Value, **We** will only pay that proportion of the claim which the Sum **Insured** or Declared Value bears to 80% of the value of the Property **Insured** at the commencement of the Period of Insurance.

Unoccupancy of building or Vacant Land

The **Insured** must take the following precautions in respect of the Premises at all times during the Period of Insurance:

- all gas, water and electricity mains supplies must be turned off at the point of entry to the property/mains (except those supplies required to maintain automatic sprinkler installations, lighting or alarm systems which are to remain in operation for security or fire protection purposes)
- all water tanks, apparatus, pipes and heating other than those connected to automatic sprinkler systems must be drained down
- The following additional minimum protections must be taken:

- all doors and windows must be securely locked and fastened
- any letter boxes must be sealed
- all security and alarm protections must be set in full operation and are in proper working order
- When the Premises first become Unoccupied
 - the **Insured** or the **Insured's** nominee must carry out a detailed inspection of all doors, windows and other access points to ensure that they are secure against unauthorised entry and document both the inspection and any action required. All records and documents should be stored off site.
 - thereafter, the **Insured** or the **Insured's** nominee must inspect the Premises every seven days, keeping a written record, and if the measures taken have proved inadequate, improvements must be made and documented. All records and documents should be stored off site.
 - If any illegal entry or attempted entry is detected notice must be given to the **Insurer** as soon as possible
- during the Period of Insurance any moveable combustible items or materials other than fixtures and fittings must be cleared from the Buildings and removed from the Premises or vacant land
- any waste or refuse must be cleared and removed from the Vacant Land or Buildings
- tanks containing fuel or other flammable liquids must be drained and purged within 7 days of the Buildings becoming Unoccupied or the land becoming Vacant Land. Tanks containing water or liquid(s) of any nature must be drained and purged within 7 days of the land becoming Vacant Land
- notice must be given to the **Insurers** as soon as possible after any untenanted or Unoccupied building (or part thereof) is occupied
- the lighting of fires and the burning of waste must NOT be carried out at any time or on any occasion on the Vacant Land unless the **Insured** or the **Insured's** nominee
 - has obtained the correct permit from the relevant state fire authority that is necessary to make sure the fire is legal
 - complies with any no burn notices or total fire bans which override any permits obtained
 - is aware of the legal and safety requirements enforced by local and state authorities for the conduct of fire lighting and use of equipment that is likely to ignite a fire
 - has obtained a general guide from the relevant State Fire or Fire and Rescue authority of the measures needed to be

undertaken before and during lighting of a fire

Failure to comply with the above conditions may reduce **Our** liability for a claim by the extent of prejudice **We** suffer by reason of the breach, which may include reducing **Our** liability to nil.

Your representative – authorisation

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

Cash payments

Any cash payments made to **You** under this Policy will be based on costs including GST. However, if **You** are, or would be, entitled to claim any Input Tax Credits for the repair or replacement of the Property **Insured** or for other things **Insured** by this Policy **We** will reduce **Our** payment to **You** by the amount of **Your** Input Tax Credits entitlement.

Discharge of Our liabilities

If, at any time, **We** pay **You** the Sum **Insured** for any claim under this Policy, the future conduct of the claim then becomes **Your** responsibility.

Interim payments

We will make interim payments on claims at intervals to be agreed by **Us** following receipt of an interim report from **Our** loss adjuster or representative on the assessment of any claim **You** make under the Policy.

Salvage

After **We** have settled a claim by replacing a damaged item of **Property Insured**, if **We** so elect, the damaged property (other than a Building) becomes Ours. **We** will not sell or dispose of any salvage without giving **You** the opportunity to buy it at its salvage value. This condition does not allow **You** to abandon the property to **Us**.

Sanction Limitation Clause

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

General Exclusions

These General exclusions are applicable to all Sections of the Policy. Notwithstanding any provision to the contrary or any endorsement **Your** Policy does not cover the following:

Absolute Asbestos Exclusion

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with:

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

In this clause Asbestos means:

- asbestos in a raw unprocessed state
- Mineral particles, fibres, or dust from asbestos
- Other materials and products that
- incorporate greater or lesser quantities of the mineral and/or raw asbestos,
- Asbestos contained in any products, goods, materials, buildings, structures, or other real or personal property

Biological or Chemical Materials Exclusion

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

Bushfires

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with bushfires or damage caused by bushfires.

Car parks, Carports and Common Areas

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the use, operation or existing state of commercial carpark/s, garaging, carport/s and any common area/s at or part of at the Premises.

Consequential loss, legal liability and defects

Except as specifically provided otherwise in the Policy loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with:

- consequential loss of any kind including loss resulting from delay or lack of performance, loss of contract or depreciation in value of any Property **Insured**;
- legal liability of whatsoever nature except as elsewhere provided in Section 2 Property Owners Liability, where that cover is specified in the Schedule;
- damage caused by faults or defects known to **You** or any employee whose knowledge in law would be deemed to be **Yours** and not disclosed to **Us** at the time the Policy was entered into.

Communicable Disease

any loss, damage, liability, claim, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.

1. For the purposes of this endorsement, loss, damage, liability, claim, cost or expense includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:
 - 1.1. for a Communicable Disease, or
 - 1.2. any property **Insured** hereunder that is affected by such Communicable Disease.
2. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
 - 2.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
 - 2.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
 - 2.3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property **Insured** hereunder.

Contamination and Pollution Exclusion Clause

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with:

- contamination, soot, deposit, impairment with dust, chemical precipitation, poisoning, epidemic and disease, pollution, adulteration

or impurification or due to any limitation or prevention of the use of property because of hazards to health.

Contractors Exclusion

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the activities of contractors of the **Insured**. For the purpose of this clause a “contractor” is defined as any person, company or organisation working at or on the Premises or Property **Insured**, including where **You** are working in **Your** capacity as a professional tradesman.

Employers Liability / Employment Practices Liability

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with an Injury to an Employee and Employment Practices **Injury to third party workers**

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with Injury to any Labour Hire Personnel or Contractor or Sub contractor, and their employees and subcontractors

War

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with:

- any war, whether war be declared or not, hostilities or rebellion, civil war, revolution, insurrection, military or usurped power, invasion, act of foreign enemy;
- the lawful seizure, detention, confiscation, nationalisation or requisition of the Property **Insured**;

Nuclear and Radioactive Material

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with:

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

Wilful Acts

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with:

- wilful acts caused directly or indirectly by any actual or alleged:
 - dishonest, fraudulent, criminal or malicious act;
 - wilful breach of any statute, contract or duty;

- conduct intended to cause loss, damage or liability with reckless disregard for the consequences, by **You** or any person acting with **Your** knowledge, consent or connivance.

Territorial Limits

loss, damage, liability, claims, cost or expense of whatsoever nature occurring or arising outside the Territorial Limits except as specifically stated otherwise in the Policy.

Flood

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with flood, regardless of any other cause or event contributing concurrently or in any other sequence to the loss or damage.

Subsidence

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with subsidence, regardless of any other cause or event contributing concurrently or in any other sequence to the loss or damage.

Drug Production

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with illegal modifications to electricity supply, holes in walls, or any physical damage resulting from modification of the Premises to facilitate drug production, establish Methamphetamine labs, or hydroponic facilities, and contamination or pollution of walls and floor coverings that results.

Storage of hazardous goods

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the storage of hazardous goods.

Micro-Organism Exclusion Clause

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with mould, mildew, fungus, spores or other micro-organism of any type, nature or description including any substance whose presence poses an actual or potential threat to human health (“Substances”).

This Exclusion applies regardless whether there is;

- any physical loss or damage to **Insured** Property
- any Specified Event or cause whether or not contributing concurrently or in any sequence to loss or damage or the claim
- any loss of use occupancy or functionality
- any action required to repair, replace, remove, clean-up, abate, dispose of relocate or address medical or legal concerns about Substances.

Portable Heating

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the use or storage on the Premises of paraffin or portable gas heaters or containers unless specifically agreed by **Us** prior to such use or storage.

Property Cyber and Data Exclusion

- 1) loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with:
 - a) Cyber Loss;
 - b) loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data;
regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- 2) In the event any portion of this clause is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
- 3) This exclusion supersedes and, if in conflict with any other wording in the Policy or any endorsement to it having a bearing on Cyber Loss or Data, replaces that wording.

Definitions

- 4) Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.
- 5) Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.
- 6) Cyber Incident means:
 - a) any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; and
 - b) any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.
- 7) Computer System means:
 - a) any computer, hardware, software, communications system, electronic device (including, but not limited to, smart

phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility,

owned or operated by the **Insured** or any other party.

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

Sonic Bangs

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with damage caused by pressure waves from aircraft or other aerial devices travelling at sonic or supersonic speeds.

Swimming pools

liability arising from, or arising in connection with swimming pool/s that are not drained and/or play equipment

Territorial Exclusion: Belarus, Russia and Ukraine

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any:

- 1) entity domiciled, resident, located, incorporated, registered or established in an Excluded Territory;
 - 2) property or asset located in an Excluded Territory
 - 3) individual that is physically in an Excluded Territory;
 - 4) claim, action, suit or enforcement proceeding brought or maintained in an Excluded Territory; or
 - 5) payment in an Excluded Territory.
- suppressing or in any way relating to any act of terrorism.

If **We** allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon **You**.

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

This exclusion will not apply to any coverage or benefit required to be provided by the **Insurer** by law or regulation applicable to that **Insurer**, however, the terms of any sanctions clause will prevail.

For purposes of this exclusion, "Excluded Territory" means:

- Belarus (Republic of Belarus); and
- Russian Federation; and
- Ukraine (including any disputed regions of Ukraine and including the Crimean Peninsula)

Terrorism Exclusion

loss, damage, liability, claims, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss or damage.

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

This exclusion also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If We allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon You.

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

Section 1 Property Damage

Damage to Buildings (Covers losses caused by fire, lightning, explosion and aircraft damage)

Cover

We agree that if, during the **Period of Insurance**, a **Building** which is **Property Insured** at the **Premises** sustains **Damage** by any Specified Event then **We** will pay to **You**:

Cost of Reinstatement

The cost of repair or replacement of **Property Insured** Damaged in part, which shall not exceed the amount which would have been payable had such property been wholly lost or destroyed. No payment beyond the amount which would have been payable in the absence of this Reinstatement shall be made:

- unless reinstatement commences and proceeds without unreasonable delay;
- until the cost of reinstatement has actually been incurred;
- if the **Property Insured** at the time of the **Damage** shall be **Insured** by any other insurance effected by the **Insured** or on the **Insured's** behalf which is not upon the same basis of reinstatement.

Limit of Indemnity

We will not pay any more than the following in respect of all **Damage to Property Insured** during the **Period of Insurance**:

- If an individual **Sum Insured** is specified on the policy Schedule for an item of **Property Insured**, **Our** liability shall be limited to the **Sum Insured** for that item;
- In any event, **Our** liability shall in no circumstances exceed, in the aggregate, the **Sum Insured** for the category of **Property Insured** on the **Schedule** under which that item falls.
- If, at the time of **Damage** any **Buildings** are awaiting refurbishment, redevelopment or renovation **We** shall not be liable for: any costs which would have been incurred by the **Insured** in the absence of such **Damage** for work undertaken by or on behalf of the **Insured** subsequent to the **Damage**.
- any loss or damage to items which are a fixture to such **Buildings**.

Where the **Insured** has entered into a contract or order for demolition of the **Building** before the **Damage**, then **Our** liability shall be limited to the cost to remove debris caused by **Damage** to **Property Insured**.

Definitions

For the purposes of Section 1:

Cost of Reinstatement means

- the cost of rebuilding or replacing **Property Insured** lost or destroyed, and provided the **Insurer's** liability is not increased, the rebuilding or replacement may be carried out:
 - in any manner suitable to both the **Insured's** and **Insurers'** requirements;
 - on another site;
- the cost of repair or restoration of **Property Insured** which is damaged, in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new;
- Removal of Debris;
- Architects Surveyors Legal and Consulting Engineers Fees

Removal of Debris means

- costs and expenses necessarily incurred by the **Insured** with **Our** consent, acting reasonably, for:
 - removing debris
 - dismantling and/or demolishing
 - shoring up or propping up of the portions of the **Property Insured**
 - clearing drains sewers and gutters at the **Property Insured** as a result of **Damage** insured by the **Policy**

We will not be liable for or pay any costs or expenses:

- incurred in removing debris except from the site of such property destroyed or **Damaged** and the area immediately adjacent to such site
- arising from pollution or contamination of property not insured by this **Policy**.

Architects Surveyors Legal and Consulting Engineers Fees means

- The reasonable cost of employing architects, surveyors, lawyers and consulting engineers in the reinstatement or repair of the **Property Insured** consequent upon its **Damage** but not for preparing any claim under this **Policy**.

Optional benefits

If **You** have cover under Section 1 **Property Damage** and **You** have requested any of the following Optional Benefits in **Your** proposal:

- Landlords Contents
- Glass
- Rental Income
- Extension 1
- Accidental Damage

AND **We** have agreed in writing to cover **You** for these benefits AND they appear in the Schedule **We** will provide the optional benefits specified in the Schedule subject to the following terms. **Our** liability under these Optional Benefits does not extend to:

- The amount of the Excess specified in the Schedule
- Consequential loss of any kind or description except as stated herein to the contrary
- Any breakage arising directly or indirectly from:
 - alterations or repairs to the Premises or occurring whilst the Premises are empty or not in use;
 - defects in frames, framework or other fittings.

Our liability shall not exceed the **Sum Insured** stated in the Schedule for the Optional Benefits.

Claims preparation expenses

Where **We** have agreed in writing, **We** will pay for accountants', claims consultant's, surveyors', architects', engineers' and other professional fees necessarily and reasonably incurred for the preparation of a valid claim made under this Policy, but **We** will not pay for any costs relating to consultations on coverage, negotiation of claims or claims advocacy.

Maximum: \$20,000 or 20% of the cost of the claim whichever is lower.

Landlords Contents

We will cover Damage that occurs during the Period of Insurance to Landlords Contents for the **Sum Insured** for Landlord's Contents as specified in in **Your** Schedule. **We** shall cover the cost of repairing or replacing or its indemnity value, whichever is the lowest.

Glass

We will cover the cost of repairing or replacing Glass breakages at the Premises during the Period of Insurance for:

- The reasonable cost of boarding up rendered necessary by Glass breakage
- The reasonable cost of repairing or replacing window frames and framework consequent upon the Glass breakage
- The reasonable cost of refitting alarm foil consequent upon the Glass breakage.

Rental Income

In the event of Damage to the **Property Insured** under Section 1 (hereinafter called the Premises) and the **Business** carried on by the **Insured** at the Premises in consequence of the **Damage to Property Insured** being interrupted or interfered with, **We** will pay **You** the amount of loss arising as a result of that interruption or interference in accordance with the following provisions. The loss **We** shall pay is limited to loss due to;

- loss of Gross Rentals
- increase in cost of working

during the Indemnity Period and the amount

payable as indemnity shall be;

- the amount by which the Gross Rentals during the Indemnity Period shall in consequence of the Damage fall short of the Standard Gross Rentals
- the additional expenditure necessarily and reasonably incurred including the cost of re-letting the Premises (including legal fees) for the sole purpose of avoiding or diminishing the loss of Gross Rentals which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the amount of the reduction in Gross Rentals thereby avoided less any sum saved during the Indemnity Period in respect of such charges or expenses of the Business as may cease or be reduced in the consequence of the Damage provided that;
- payment shall have been made or liability admitted under Section 1 of this Policy in respect of such Damage
- if the **Sum Insured** by this Policy is less than twice the Annual Gross Rentals (or to a proportionately reduced multiple where the Indemnity Period is less than 24 months or to a proportionately increased multiple where the Indemnity Period is greater than 24 months) the amount payable shall be proportionately reduced.

We shall have no liability under this clause unless Gross Rental would have been earned had the Damage not occurred.

In assessing the loss regard will be had to;

- actual negotiations with prospective tenants both before and after Damage
- demand for similar accommodation in the locality
- the general level of rents applying

If required by **Us** to determine the amount payable under this clause, the advice of a professional valuer acceptable to both **You** and **Us** will be sought and such fees will be included in the indemnity under this Clause.

The following is excluded from cover under this Optional benefit:

Payments on Account- Rental Income

In the event of loss, **We** will at **Your** request make monthly payments on account as interim payments during the Indemnity Period for benefits under the Rental Income clause above. **Professional**

Accountants Charges- Rental Income **We** will cover **You** for reasonable fees payable to **Your** accountants for producing any particulars or details contained in **Your** business books or documents or other such proofs of information or evidence as **We** may require.

Maximum: \$5,000 for one claim or event and in the aggregate.

Occupied Risks Extension

If **You** wish to obtain cover for **Property Insured** in the event that it will be occupied for a period of greater than 7 days and **You** have sought prior approval for this extension and **We** have agreed in writing and amended **Your** Schedule to reflect that, then cover is extended to the occupied

Property Insured provided:

- **You** have paid any additional premium **We** require
- any Occurrences happens during the Period of Insurance specified in **Your** amended Schedule that applies whilst the property or land is occupied,
- Notwithstanding anything contained within General Conditions the
 - electricity mains
 - gas
 - water

supplies must remain connected to the **Property Insured** during the period of occupation.

Extension 1

If **Your** Schedule shows that Extension 1 is included and identified as covered under the column “insured”, the Specified Events are replaced by the following perils

- fire,
- lightning,
- explosion,
- aircraft or other aerial devices or articles dropped there from,
- riot,
- civil commotion,
- strikers,
- locked out workers,
- persons taking part in labour disturbances,
- malicious persons,
- theft,
- earthquake,
- storm,
- overflowing or leaking of any sprinkler apparatus, escape of water from any tank apparatus or pipe
- impact by any road vehicle or animal, falling trees, branches and falling aerials.

Subject to the following conditions:

Defined Event – Theft

We will cover **You** for **Damage to Property Insured** caused by:

- any person who forcibly and violently enters or attempts to enter the Premises, or
- any person unlawfully concealed on the Premises

Maximum: \$20,000 for any one occurrence where the premises is fitted with an active GSM monitored back to base alarm, otherwise

Maximum: \$10,000 for any one occurrence of theft or attempted theft of Property

We will not cover:

- theft or attempted theft or unexplained disappearance from any open-sided structure such as, but not limited to verandas or yards or other open spaces even if they are partially or fully enclosed.
- loss or damage to keys, or locks or the cost of replacement of locks or cylinders
- loss or damage caused by **You** or anyone that lives or temporarily lives at **Your** address
- loss or damage caused by any person who is acting with **Your** express or implied consent including any Employee
- A claim in respect of Theft will not be covered unless all of the Minimum Security Requirements are fully complied with.

Defined event – Malicious Damage

Maximum: \$20,000 for any one occurrence, by the actions of malicious persons

Accidental Damage

Extension 1 (Specified Events) may be further extended to cover the **Property Insured** against risks of accidental physical loss or Damage (“Accidental Damage”) occurring during the Period of Insurance at the Premises and subject to the **Sums Insured** specified in **Your** Schedule, if the Accidental Damage cover is agreed by **Us** in writing and included in **Your** Schedule. Accidental Damage does not include;

- damage caused by any other Specified Event
- The amount of the Excess specified in the Schedule
- damage caused by or following subsidence, collapse, landslip, ground heave, settling, cracking, shrinkage or expansion of any building or foundation
- mechanical and/or electrical derangement and/or breakdown, breakage of valves, filaments and the like burning out or damage directly caused by short circuiting and/or claims arising from overheating
- damage caused by moth, vermin or insect, wear, tear, gradual deterioration, rust or oxidization, rot, mould or mildew, inherent vice, latent defect, mysterious disappearance or unexplained shortage
- damage caused by faulty manipulation, scratching or denting or loss of magnetism and/or erasure of tapes or faulty projection, shortage in weight, contamination, taint or insufficiency of insulation
- breakage of articles of a brittle nature
- loss by delay, loss of market, consequential loss of any and every description
- damage sustained whilst the **Property Insured** is being worked upon or is under any process and directly resulting there from

- damage caused by climatic or atmospheric conditions or extremes of temperature
- infidelity or dishonesty by the **Insured** or any Employee(s) of the **Insured**
- damage to aircraft, watercraft, vehicles, livestock, growing timber or crops, jewellery, furs, watches, precious metals/stones, money, documents, data or word-processing, media or computer systems records
- damage insured more specifically under any other policy of insurance Damage to Computer equipment, TV and radio aerials, satellite dishes, aerial fittings and masts.
- theft however caused.

Exclusions applicable to Section 1 and Optional Benefits

Notwithstanding any provision to the contrary or any endorsement **Your** Policy does not cover the following::

Damage or loss caused by or consisting of:

- inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, faulty or defective design or materials
- the bursting by steam pressure of a boiler, economiser, vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the **Insured** other than any boiler or economiser on the Premises used for domestic purposes, such as a hot water and/or central heating/ventilation system.
- faulty or defective workmanship, operational error or omission on the part of the **Insured** or an Employee but this shall not exclude such Damage not otherwise excluded which itself results from a Specified Event
- corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
- change in temperature, colour, flavour, texture or finish
- joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith
- mechanical or electrical breakdown or derangement of the particular machine, apparatus or equipment in which such breakdown or derangement originates
- normal settlement or bedding down of new structures

Infidelity or dishonesty by:

You or any Employee or other persons to whom **Property Insured** is entrusted.

Damage to a building or structure:

caused by collapse or cracking unless resulting

from a Specified Event that is not otherwise excluded

Damage caused:

- by water from or action of the sea, tidal wave, storm surge, high water, Flood;
- to gates, fences, retaining walls;
- to shad sails, shades, shade cloths, awnings and blinds;
- to property in the open air unless such property is a permanent structure designed to function without the protection of walls or roof;
- by erosion, subsidence, landslide, collapse or any other movement of earth;
- by or resulting from water seeping, percolating or otherwise penetrating into **Property Insured**
- to Buildings as a result of structural defects, faulty design or faulty workmanship in their construction; or
- by water entering Buildings through an opening in the wall or roof made for the purpose of alterations

Unless specified in the Your Schedule

- property or structures in the course of construction or erection and materials or supplies used in connection with all property in course of construction or erection
- land, roads, pavements, piers, jetties, bridges, culverts or excavations

Damage caused as a result of or in consequence of

any building work(s) other than Renovation unless specifically agreed otherwise by the **Insurer**.

Section 2 Property Owners Liability

Cover

We agree to pay to **You** or on **Your** behalf all amounts which **You** shall become legally liable to pay as compensation for:

- Injury, (excluding injury to an Employee – see General Exclusions) and
- **Third Party Property Damage**, happening during the **Period of Insurance** arising out of the ownership of **Your** Unoccupied Property or **Vacant Land** within the **Territorial Limits** and caused by or resulting from an **Occurrence** during the **period of Insurance**.

Definitions

For the purpose of Section 2

Occurrence

Means an event including continuous or repeated exposure to substantially the same general conditions, which results in **Injury** or third party property damage that is neither expected nor intended from **Your** standpoint.

All **Events** of a series consequent upon or attributable to one source or original cause shall be deemed to be one **Occurrence**.

Extension 2

The following supplementary benefits apply to Section 2 of this Policy.

Unless stated otherwise, these supplementary benefits are included in the Limit of Liability and not in addition to it.

Legal costs Defence Costs

We will pay Defence Costs incurred by **Us** or by **You** for all sums which **You** become legally liable to pay, after **We** have provided **Our** written consent, in the defence of a claim for compensation made against **You** covered under this Policy.

Additional costs

We will pay the following additional costs incurred by **You** in connection with an **Occurrence** covered by this Policy:

- First aid costs (other than medical costs which **We** are not allowed to pay by law); and
- The cost of emergency first aid to other persons
- for costs incurred with **Our** consent for temporary repairs, shoring up or protection of Damaged property of others.

Expenses

We will reimburse **You** for all reasonable expenses **You** incur in connection with any claim made against **You** that is covered by this Policy, incurred with **Our** prior written consent, excluding any loss of earnings or loss of revenue or profit.

Limits of Liability

The following limits apply:

Property Owners Liability

Subject to any other limit set out in this Policy, **We** will pay up to the Limit of Liability for any one Occurrence for Section 2 cover set out in the Schedule.

Defence Costs are inclusive of the limit of liability and are not in addition to it.

Exclusions Applicable to Section 2

We will not cover any liability under this Policy directly or indirectly caused by, arising from or in connection with:

Erection and alterations to buildings

Injury or property Damage arising directly or indirectly out of or caused by or in connection with the erection, demolition of or alteration or addition to buildings by **You** or on **Your** behalf. **Loss of use** Loss of use of tangible property, which has not been physically Damaged or destroyed, resulting from:

- Delay in or lack of performance by **You** or on **Your** behalf of any contract or agreement; or
- The failure of **Your** products to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by **You**, however, this paragraph does not apply to loss of use of other tangible property resulting from the sudden and accidental physical Damage to or destruction of **Your** products after such products have been put to use by any person or organisation other than **You**.

Participation

For Injury to any person or property, or Damage to the property of any person, directly or indirectly arising out of or in any way connected with, the actual participation of such person in any sport, exercise or activity such as but not limited to rally driving, motor racing, any vehicle activity on a race track, competitive motor sports, aerobics, athletics, football, aquatic, aerial or equestrian activity. The term participation as used in this exclusion includes the participation, training or practice for, supervision or control of such activities.

Professional liability

Directly or indirectly arising out of or in any way connected with the provision by **You** or by anyone on **Your** behalf professional advice or any error or omission connected therewith.

Vibration and removal of support

Property Damage to any land or fixed property arising directly or indirectly from vibration or from the removal or weakening of or interference with support to land, buildings or any other property.

Contractual Liability

Liability which you have assumed under contract and which would not otherwise have attached

Pollution and Contamination

Any liability in respect of any kind of pollution and/or contamination unless such pollution and/or contamination was caused by a sudden, identified, unexpected and unforeseen accident which happens in its entirety at a specific time during the **Period of Insurance** at the **premises** named in the **Schedule**.

Any such accident needs to be reported to **Us** not later than 30 days from the end of the **Period of Insurance**

Injury

- Any **injury** arising directly or indirectly from any communicable disease
- Any **Injury** sustained by **You**
- Any **Injury** arising from any criminal or violent act to another person

Fines and Penalties

Any liability whatsoever for fines, penalties or punitive damages

Asbestos

Any liability whatsoever arising from any loss, damage, cost or expense directly or indirectly arising out of or as a consequence of the use of or exposure to asbestos or materials or products containing asbestos. Including the manufacture, supply, installation, storage, handling, removal, stripping or dismantling of asbestos or asbestos containing materials

Your ownership and Possession of the Following:

- Any motorized vehicle
- Any power operated lift
- Any aircraft or watercraft other than manually operated rowing boats or canoes
- Any animal

Damage caused by the following:

- inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, faulty or defective design or materials
- the bursting by steam pressure of a boiler, economiser, vessel, machine or apparatus in which internal pressure is due to steam

only and belonging to or under the control of the **Insured** other than any boiler or economiser on the Premises used for domestic purposes, such as a hot water and/or central heating/ventilation system.

Conditions

The following conditions apply to Section 2 of the policy

Claims notice

Any **occurrence** which might give rise to a claim under the Policy must be reported to **Us** in writing as soon as possible and, as far as is practicable. No alteration or repair may be carried out by **You** until **We** have had the opportunity of inspecting Damage to property, unless such alteration or repair is necessary to either prevent or minimise any additional property Damage or personal injury, subject to such alteration or repair being covered under section 1..

You must give notice as soon as reasonably practicable of any impending prosecution, inquest, inquiry or civil proceeding in connection with the

Occurrence.

Discharge of liabilities

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

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

Upon such payment **We** will cease conduct or control of the defence of all claims against **You** and be under no further liability under **Your** Policy in connection with such claim or claims.

Provided that **We** will pay for costs, charges and expenses recoverable from **You** in respect of the period prior to the date of such payment (whether or not this is pursuant to an order made subsequently) or incurred by **Us**, or by **You** with **Our** written consent prior to the date of such payment.

Statutory requirements

You must comply with all statutory requirements including but not limited to those concerning the inspection of passenger lifts and steam pressure apparatus