



# **Unoccupied Property Insurance**

Product Disclosure Statement and Policy Wording

# INDEX

<b>YOUR POLICY .....</b>	<b>3</b>
<b>COMPLAINTS AND DISPUTES .....</b>	<b>4</b>
<b>HOW TO MAKE A CLAIM .....</b>	<b>5</b>
<b>GENERAL DEFINITIONS .....</b>	<b>9</b>
<b>INTRODUCTION .....</b>	<b>12</b>
<b>UNDERSTANDING IMPORTANT TERMS &amp; CONDITIONS OF YOUR POLICY .....</b>	<b>12</b>
<b>GENERAL CONDITIONS APPLICABLE TO ALL POLICIES OF THIS COMBINED WORDING .....</b>	<b>17</b>
<b>GENERAL EXCLUSIONS .....</b>	<b>24</b>
<b>SECTION 1 PROPERTY DAMAGE .....</b>	<b>28</b>
COVER.....	28
DEFINITIONS .....	28
OPTIONAL BENEFITS.....	28
EXTENSION 1 .....	30
EXCLUSIONS APPLICABLE TO SECTION 1 AND OPTIONAL BENEFITS .....	31
<b>SECTION 2 PROPERTY OWNERS LIABILITY .....</b>	<b>32</b>
INSURING CLAUSES.....	32
DEFINITIONS .....	32
ADDITIONAL BENEFITS .....	32
LIMITS OF LIABILITY .....	33
EXCLUSIONS.....	33
CONDITIONS .....	33

## Your Policy

Welcome to Your Mainstay Underwriting Dealership 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**

PO Box 5192

Gold Coast, AUSTRALIA 9726

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](http://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](http://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](http://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: PO BOX 5192, Gold Coast Mail Centre, QLD, 9726

Telephone: 07 5680 9945

Email: [Complaints@MainstayUnderwriting.com.au](mailto: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: [idraustralia@lloyds.com](mailto:idraustralia@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](mailto:info@afca.org.au)

Post: GPO Box 3 Melbourne VIC 3001

Website: [www.afca.org.au](http://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  
TEL: +61 (0)75680 9945  
Email: [Claims@MainstayUnderwriting.com.au](mailto: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. Immediately 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, authorise any repairs or 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. You must let Us inspect and, if necessary, move a vehicle before repairs begin.
3. Give Us any information and help We need to handle the claim. This can include agreeing to be interviewed and

**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. However, 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.

### Declared Value

A sum declared by You for Property Insured.

### Defined Perils

The words Defined Perils shall mean fire, lightning, explosion, aircraft impact and any other peril specified in the Schedule as a "Defined Peril".

### Electronic Data

Facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

### Employee(s)

Means 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 bear after the application of the condition in respect of Under insurance in the Policy, 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.

#### **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 as damages and legal costs arising out of 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](http://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.

#### **Australia Terrorism Insurance Act 2003**

Underwriters have treated this Policy (or part of it) as an insurance to which the Australia Terrorism Insurance Act 2003 (ATIA) applies.

ATIA and the supporting regulations made under the Act deem cover into certain policies and provide that the Terrorism exclusion to which this Policy is subject shall not apply to any “eligible terrorism loss” as defined in ATIA.

Any coverage established by ATIA is only in respect of any “eligible terrorism loss” resulting from a “terrorist act” which is a “declared terrorist incident” as defined in ATIA. The Terrorism exclusion to which this Policy is subject applies in full force and effect to any other loss and any act or event that is not a “declared terrorist incident”. All other terms, conditions, insured coverage and exclusions of this Policy including applicable limits and Excesses remain unchanged.

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

**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;
  - where an act or omission by You has the effect of altering the state or condition of the subject-matter of the contract or of allowing the state or condition of that subject-matter to alter

and We may do so by giving You at least three 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

### **Making a claim**

You must follow the procedures outlined if something happens that causes or results in loss, damage or liability, or the incurring of an expense which may lead to You making a claim under this policy for indemnity.

If You do not, We may refuse Your claim or reduce the amount We pay You.

### **If You wish to make a claim,**

You must contact

#### **Broadspire Pty Ltd**

Level 6 200 Mary Street,  
Brisbane, Queensland 4000, Australia  
Tel: +61 (0)7 3223 3100

Email: [mainstayclaims@broadspire.com.au](mailto:mainstayclaims@broadspire.com.au)

- Give Us all the information and documentation which We request. If We ask for it, You must provide Us with a statutory declaration verifying the truth of Your claim and any matters connected with it; and
- Immediately send Us any court documents or other communication You receive about the claim.

Do not take any action Yourself or ask anyone else to do on Your behalf.

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

- As soon as possible, take reasonable steps to prevent further loss or damage.
- Immediately make a report to the police if:

- You know or suspect that Your property has been stolen;
- someone has broken into Your premises; or
- someone has caused malicious damage to Your property.

- Preserve and retain any damaged property and make it available for inspection by Us or Our agent (including a loss adjuster).
  - Not make any admission of liability, in connection with any event; negotiate or promise anyone a payment, authorise any repairs or 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**

- You must provide proof of ownership of any lost or damaged property. Proof could include receipts, valuations or warranties.
- You must let Us inspect and, if necessary, move a vehicle before repairs begin.
- Give Us any information and help We need to handle the claim. This can include agreeing to be interviewed and

### **When You have made a claim**

- We or Our agent may investigate any matter that is or may be the subject of the claim.
- You are required to provide Us with direct access at all times to Your professional adviser.
- 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:

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

You must allow Us to:

- make admissions, settle or defend claims on Your behalf; and
- 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.
- You must allow Us or Our agent to enter Your premises or make them available to Us for inspection.
- 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:

- refuse to pay the claim;
- cancel the policy;
- take legal action against You; or
- 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:

- You do not do what Your duty of disclosure requires You to;
- You: are not truthful;
- have not given Us full and complete details.



## 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.

### 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.

### Arbitration Provisions

1. Where a provision included in a contract of insurance has the effect of:
  - a. requiring, authorizing or otherwise providing for differences or disputes in connection with the contract to be referred to arbitration; or
  - b. limiting the rights otherwise conferred by the contract on the insured by reference to an agreement to submit a difference or dispute to arbitration; the provision is void.
2. Subsection 1 does not affect an agreement to submit a dispute or difference to arbitration if the agreement was made after the dispute or difference arose.

### 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 be 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 precedent to liability under the Policy:

- 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, which are inherent requirements of the cover provided by this Insurance.

#### **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, which is an inherent requirement of the cover provided by this Insurance.

#### 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.

You need to comply with these conditions. If You do not, and a breach of the conditions causes a loss that We for which We are liable to indemnify You under this Insurance, , 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 of 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.

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, Underwriters 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.

#### **Headings**

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

#### **Heat Application**

If the following precautions and procedures are not complied with by the Insured and/or his contractor(s) on each occasion, a claim in respect of Fire will not be covered and this Policy may be cancelled.

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
- a person is appointed by the Insured or the contractor to act as an observer to watch for signs of smoke or smouldering or flames

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.

#### **Interests of other parties**

The insurable interest of those lessors, financiers, trustees, mortgagees, owners and other parties having a registered legal interest or charge over the Property Insured recorded by You in Your records prior to the Period of Insurance, shall be automatically included as third party beneficiaries without notification or specification to Us. The nature and extent of such interest is to be disclosed to Us in the event of any loss or Damage and any entitlement that the third party beneficiaries have will be limited to their interest in the Property Insured and at all time subject to the terms of the Policy, the Sum Insured and the Limits of Indemnity. Any other person with an interest in Property Insured, not in this category or not named on the Schedule is not covered by and cannot make a claim under the Policy.

All third party beneficiaries must comply with the terms and conditions of the Policy.

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 .

#### **Keeping Us up to date**

During the Period of Insurance and at renewal, You must tell Us of any of the following changes (for which We may ask for an additional premium to maintain or renew cover) within 7 days:

- if the Building or Property Insured is not in a good state of repair;
- work on the Building or Property Insured other than routine maintenance or decoration is being carried out;
- any material change in the Business;
- any change of premises where You carry out the Business;

#### **Kitchen Equipment**

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

#### **Minimum Security Requirements:**

- 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
- The following requirements are inherent requirements of a claim and liability under the Policy and We will not cover, and will not be liable for loss or damage resulting from theft,

where the Insured fails to comply with the requirements below:

- 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.
- The following requirements are inherent requirements of a claim and liability under the Policy and We will not cover, and will not be liable for loss or damage caused by theft where the Insured fails to comply with the requirements below.
- In the event the Insured receives notification of any notification below, a claim in respect of theft will not be covered and cover may be cancelled;
  - 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.
- A claim in respect of Theft will not be covered unless all of the Minimum Security Requirements are fully complied with.

#### **More Specific Coverage Section**

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

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 undertakes to

- 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

- (collectively “Roof Maintenance Conditions”).

The Roof Maintenance Conditions are inherent requirements of a claim and liability under the Policy for loss or damage and We will not cover, and will not be liable for, loss or damage caused or contributed to by any breach of Roof Maintenance Conditions.

**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 Insured Premises the Insured undertakes to:

- make a test every week 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 quarterly or half-yearly 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 every weekday (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 installations(s) and to obtain from them following each inspection certification that they are in satisfactory working order; (collectively "Sprinkler Conditions").

The Sprinkler Conditions are inherent requirements of a claim and liability under the Policy for loss or damage and We will not cover, and will not be liable for, loss or damage caused or contributed to by a breach of the Sprinkler Conditions.

#### **Storage of hazardous goods**

This Policy does not cover loss or damage caused by, or in consequence of storage of hazardous goods.

#### **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 are to be carried out and completed within the period specified by Us. You must continue to implement such requirements during the whole currency 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 this shall deem to be a breach of a condition which may reduce our liability by the extent of the prejudice. In the event cancellation of this policy occurs due to this endorsement 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.

#### **Theft**

Theft cover is only given if made operative in the schedule and shown as insured. If You fail to notify Us as soon as possible We reserve the right to vary terms under this policy, but in any event We will not pay the first \$10,000 or 20% whichever is the greater of any loss destruction or Damage by theft or attempted theft.

#### **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 agrees to take the following precautions in respect of the Premises at all times during the Period of Insurance:

- all gas, water and electricity mains supplies are kept disconnected (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 are drained down
- The following minimum protections are taken:
  - all doors and windows are securely locked and fastened
  - any letter boxes are sealed
  - all security and alarm protections are 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 attempt thereat is detected in any one Period of Insurance, immediate notice must be given to Underwriters
- during the Period of Insurance any moveable combustible items or materials other than fixtures and fittings are cleared from the Buildings and are removed from the Premises or vacant land
- any waste or refuse is cleared and removed from the Vacant Land or Buildings
- tanks containing fuel or other flammable liquids are 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 are drained and purged within 7 days of the land becoming Vacant Land
- notice is to be given to Underwriters when 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
  - (collectively "UVL Conditions")

The UVL Conditions are inherent requirements of a claim and liability under the Policy for loss or damage and We will not cover, and will not be

liable for, loss or damage caused or contributed to by any breach of the UVL Conditions.

#### **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 or Lost 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.

## 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

We exclude liability for loss, damage, and claims, directly or indirectly, arising out of, arising from, in connection with or relating to Asbestos, the incorporation of Asbestos in Property Insured, exposure to Asbestos or the escape of Asbestos.

In this clause Asbestos means:

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

Insurers do not cover and exclude all liability for 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..

This Policy does not cover and We are not liable for Injury which arises in whole or in part, either directly or indirectly, out of Asbestos whether or not the Asbestos is airborne as a fibre or particle, contained in a product, carried on clothing, or transmitted in any fashion whatsoever.

### Biological or Chemical Materials Exclusion

This Policy does not cover and We are not liable for loss or damage, claims or liability, directly or indirectly, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

### Bushfires

This policy does not cover and we exclude all liability for any claim arising from bushfires or Damage caused by bushfires.

### Car parks, Carports and Common Areas

This policy does not cover and we exclude all liability for loss or damage or liability arising from or in connection with the Damage or Injury caused by 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, We will not pay or be liable for:

- 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

Notwithstanding any other provision, clause or term of this policy to the contrary, this policy does not insure any loss, damage, liability, claim, cost, expense or other sum of any kind, whether directly or indirectly and/or in whole or in part, relating to or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.

For the purposes of this endorsement, loss, damage, liability, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:

1. for a Communicable Disease, or
2. any property insured hereunder that is affected by a Communicable Disease.

As used herein:

“Communicable Disease” means any infectious disease, contagious disease or communicable disease or any other disease which can be transmitted by means of any substance and/or agent from any organism to another organism where:

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



“relating to” means relating to, in connection with, arising under, arising out of, as a result of, as a consequence of, attributable to, and any other term commonly used and/or understood to reflect or describe a nexus and/or connection from one thing to another whether direct or indirect.

This endorsement applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

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

LMA5393 (SCOR Edits) - 15 April 2020

#### **Contamination and Pollution Exclusion Clause**

This policy does not cover and We exclude all liability for loss or damage, claims or liability, directly or indirectly, arising from:

- 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.
- claims arising from Methamphetamine or any other illicit or unauthorised drug cooking or production or consumption

#### **Contractors Exclusion**

This policy does not cover and We exclude all liability for any loss, damage or liability arising from 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**

This policy does not cover and We exclude all liability for claims relating to an Injury to an Employee and Employment Practices Employment Practices **Injury to third party workers**

This policy does not cover and We exclude all liability for

Injury to any Labour Hire Personnel or Contractor or Sub contractor, and their employees and subcontractors **Loss, Damage or liability**

This policy does not cover and We exclude all liability loss, damage, costs, expenses, liabilities and claims caused by or arising from:

- any war, whether war be declared or not, hostilities or rebellion, civil war, revolution, insurrection, military or usurped power, invasion, act of foreign enemy;
- ionising radiation or contamination by radioactivity from:
  - any nuclear fuel or from any nuclear waste; or

- from the combustion of nuclear fuel (including any self-sustaining process of nuclear fission or fusion);
- nuclear weapons material;
- the lawful seizure, detention, confiscation, nationalisation or requisition of the Property Insured;
- 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;
- occurring or arising outside the Territorial Limits except as specifically stated otherwise in the Policy.
- caused by or 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, regardless of any other cause or event contributing concurrently or in any other sequence to the loss or Damage
- claims that arise or relate to 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.

#### **Micro-Organism Exclusion Clause**

This policy does not cover and We exclude all liability for:

claims directly or indirectly arising out of or relating to 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 Defined Peril 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**

This policy does not cover and We exclude all liability arising from or arising in connection with 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. Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy excludes any liability for:
  - 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 endorsement supersedes and, if in conflict with any other wording in the Policy or any endorsement thereto having a bearing on Cyber Loss or Data, replaces that wording.

### Definitions

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.

LMA5401 11 November 2019

### **Radioactive Contamination Exclusion Clause**

This policy does not cover and We exclude all liability arising from, or arising in connection with claims directly or indirectly caused by or contributed to by or arising from;

- ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

### **Sanction Limitation and Exclusion Clause**

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

### **Sonic Bangs**

This policy does not cover and We exclude all liability arising from, or arising in connection with Damage caused by pressure waves from aircraft or other aerial devices travelling at sonic or supersonic speeds .

### **Swimming pools**

This policy does not cover and We exclude all 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**

Notwithstanding anything to the contrary in this **Policy**, this **Policy** excludes any loss, damage, liability, cost or expense of whatsoever nature, directly or indirectly arising from or in respect of 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 resident in or located 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.

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 the Crimean Peninsula and the Donetsk and Luhansk regions)

All other terms, conditions and exclusions remain unchanged.

LMA5583A

26 April 2022

**Terrorism Exclusion**

This policy does not cover and We exclude all liability arising from, or arising in connection with loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss 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

Property 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 Defined Peril then We will pay to You:-

#### Cost of Reinstatement

Our liability for the repair or replacement of Property Insured Damaged in part 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 shall have been actually 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

Our liability in respect of all Damage to Property Insured during the Period of Insurance shall be limited as follows:

- 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.

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 Underwriters' liability is not increased, the rebuilding or replacement may be carried out
  - in any manner suitable to both the Insured's and Underwriters' 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,
- European Community and Public Authorities,
- 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 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.

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

If, at the time of Damage, any Buildings are awaiting refurbishment, redevelopment or renovation, then We shall not be liable for any loss or damage to items which were a fixture to such Buildings.

#### **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 (subject to the terms, definitions, exclusions and conditions of the Policy and set out below) 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 thereunder 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 notwithstanding the Damage.

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

- erasure, loss, distortion or corruption of information on computer systems or other records, programs or software caused deliberately by rioters, strikers, locked-out workers, persons taking part in labour disturbances or civil commotion or malicious persons
- other erasure, loss, distortion or corruption of information on computer systems or other records, programs or software unless resulting from a Defined Peril and it is not otherwise excluded

#### **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 Benefit clause above..

#### **Professional Accountants Charges- Rental Income**

We will indemnify You in respect of 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 in accordance with the Terms and conditions in Sections 1 and 2 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 Defined Perils 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,
- impact by any road vehicle or animal, falling trees, branches and falling aerals.

### *Subject to the following conditions:*

#### **Defined Event – Theft**

The loss or damage must occur during the Period of Cover.

We cover You for loss of or 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 exclude liability for:

- 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

#### **Defined event – Malicious Damage**

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

#### **Accidental Damage**

Perils Extension cover may be further extended to cover the Property Insured specified in the Schedule 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 insurable peril
- The amount of the Excess specified in the Schedule
- Damage caused by or following upon 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 which may be sustained whilst the Property Insured is being worked upon or is under any process and directly resulting therefrom
- 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 howsoever caused.

## Exclusions applicable to Section 1 and Optional Benefits

This policy does not cover and We exclude all liability arising from, in connection with, or relating to:

### **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.
- pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds
- 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 Defined Peril
- acts of fraud or dishonesty by Employees
- 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 Defined Peril that is not otherwise excluded by terms of the Policy

### **Damage or Damage to Insured Property caused:**

- by water from or action of the sea, tidal wave, storm surge, high water, Flood;
- to gates, fences, retaining walls;
- to shade 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

- 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 s 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 Underwriters.

## Section 2 Property Owners Liability

### Insuring Clauses

We agree subject to the terms of the Policy, and Limits of Indemnity to pay to You or on Your behalf all amounts which You shall become legally liable to pay as compensation for:

- Injury, 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

The following definitions apply to this Section:

**Occurrence**

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

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

### Additional benefits

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

**Legal costs**

If We agree to pay a claim under this Policy, We will also pay legal costs incurred by Us or by You, 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 and 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:

### **Public 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.

## Exclusions

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**

Personal 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.

## Conditions

The following conditions are specific to this Section 2:

### **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 immediate notice 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 relinquish 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.