



**DOMINION  
UNDERWRITING  
AGENTS** PTY LTD  
ABN 98 096 824 814

**Dominion Underwriting Agents Pty. Ltd**  
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### **Commercial Insurance Wording**

Please note that this policy wording attaches to all Commercial Insurance policies incepting between

New Business	01 February 2005 to 30 June 2007
Renewals	01 February 2005 to 30 June 2007

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# COMMERCIAL BUSINESS PAK POLICY

## GENERAL CONDITIONS AND EXCLUSIONS

### 1. NOTICES

All notices or communications to the Insurers relating to any Part or Section of this Policy shall be in writing and forwarded to the office of DOMINION UNDERWRITING AGENTS PTY LTD Suite 2, Level One, 310-314 Whitehorse Road, Victoria. In addition, DOMINION UNDERWRITING AGENTS PTY LTD must be informed in writing of any change or alteration to any of the risks insured under any Section or Part of this Policy. DOMINION UNDERWRITING AGENTS PTY LTD will issue written confirmation or rejection of such requested changes or alterations.

### 2. MISREPRESENTATIONS AND NON DISCLOSURE

If the Insured ,

- a) failed to disclose any matter which the Insured was under a duty to disclose to the Insurers; or
- b) made a misrepresentation to the Insurers before the Contract of Insurance was entered into and if the Insurers would not have entered into the Contract for the same premium and on the same terms and conditions expressed in this Policy but for the failure to disclose or the misrepresentation, then ;
- c) the liability of the Insurers in respect of any claim will be reduced to an amount to place the Insurers in the same position in which the Insurers would have been placed if the failure to disclose had not occurred or the misrepresentation had not been made, or
- d) if the non-disclosure or misrepresentation was fraudulent, the Insurers may avoid the insurance.

### 3. ALTERATION OF RISK

Insurers may elect to cancel this Policy within the terms of the cancellation Clause and/or shall not be liable for loss, destruction or damage to any Property Insured caused or contributed to by any alteration after the commencement of this contract -

- a) in the trade or manufacture carried on, or whereby the nature of the occupation or other circumstances materially affecting the Risk Insured can be changed in such a way to increase the risk of loss, destruction, or damage; or
- b) whereby the Building Insured of containing the Property Insured becomes unoccupied, and so remains a period of more than Thirty (30) days; or
- c) whereby the Insured's interest ceased except by will or operation of law unless the Insured shall give written notice to the Insurers of such alteration prior to the alteration becoming effective and it being allowed by endorsement to the Policy.

### 4. NOTIFICATION OF CLAIMS

On the happening of any loss, destruction or damage, the Insured shall forthwith give notice thereof in writing to Insurers and shall as soon as practicable after such loss, destruction or damage or such further time as Insurers may in writing allow, at their own expense deliver to Insurers a claim in writing containing as particular as account as may be reasonably practicable of the several articles or portions of Property lost, destroyed or damaged and of the amount of loss, destruction or damage, thereto respectively having regard to their value at the time of the loss, destruction or damage, together with details of any other insurances on any interest or Property hereby insured.



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

## **5. FRAUDULENT CLAIMS**

If any claim be in any respect fraudulent or if any fraudulent means or devices be used by the Insured party or anyone acting on behalf of any Insured party to obtain any benefit under the Policy or if any damage be occasioned by the wilful act or with the connivance of any Insured party, Insurers without prejudice to any other right they might have under this Policy are entitled to refuse to pay the claim.

## **6. SUBROGATION**

The Insured shall at the expense of the Insurers do and permit to be done all such acts and things as may be necessary or reasonably required by the Insurers for the purpose of enforcing any rights or remedies or of obtaining relief or indemnity from parties other than those Insured under this Policy shall be or would become entitled or subrogated upon their paying for or making good any loss, damage or liability under this Policy whether such acts and things shall be or become necessary, or required before or after the Insured's indemnification by the Insurers.

## **7. PRECAUTIONS TO PREVENT INJURY, LOSS OR DAMAGE**

The Insured shall take all reasonable care to prevent loss or damage and to maintain their premises, plant and everything used in the business in proper repair and to act in accordance with all statutory obligations and regulations.

## **8. CONTRIBUTION/OTHER INSURANCES**

If at the time of any claim there be any other subsisting Insurance or Insurances whether effected by the Insured or by any other person or persons covering any of the risks insured hereunder, or if any Insurance covering more details of such other Insurance, and Insurers shall have the right to seek reimbursement from such other Insurers for its rateable proportion.

## **9. REINSTATEMENT**

If the Insurers elect or become bound to reinstate or replace any Property the Insured shall at their own expense produce and give to the Insurers such plans, documents, books and information that the Insurers may reasonably require. The Insurers shall not be bound to reinstate exactly or completely, but only as circumstances permit and in a reasonably sufficient manner and shall not in any case be bound to expend in respect of any one item insured more than the Sum Insured thereon.

## **10. GENERAL CONDITIONS AND EXCLUSIONS**

The General Conditions and General Exclusions of this Policy form part of all the Sections of this Policy and must be read together with any other Special Conditions or Special Exclusions contained in any of the Policy Sections.

## **11. INTERPRETATION**

The Policy, Schedule, Definitions, Conditions, Exclusions, Endorsements, Memoranda, and warranties (if any) and any other terms herein contained which are to be read together and any other word or expression which a specific meaning has been given to any Section and/or Part of this Policy shall bear this meaning wherever it may appear unless such meaning is inapplicable to the context in which the word or expression appears.

Where a Sum Insured or Limit of Liability for any particular item contained in a Section is not indicated in the Schedule then that Policy attached hereto shall be ineffective.



## **12. GENERAL WARRANTY**

If the insured premises cease to be used as proposed, or in respect of licensed premises shall be unlicensed, or notice of intended withdrawal of licence, or requisitions be issued by lawful authorities, the insured must give notice to the DOMINION UNDERWRITING AGENTS PTY LTD within thirty (30) days, and have such information allowed and noted by endorsement, issued by DOMINION UNDERWRITING AGENTS PTY LTD otherwise the policy shall be void.

## **13. UNOCCUPANCY**

If the insured premises are to become unoccupied for longer than sixty (60) days, notice must be given to DOMINION UNDERWRITING AGENTS PTY LTD within thirty (30) days of such unoccupancy. Unoccupancy must be allowed and noted by endorsement, issued by Dominion Underwriting Agents otherwise the policy shall be void.

## **GENERAL EXCLUSIONS**

This Policy does not cover loss or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any other consequential loss or legal liability of whatsoever nature or any bodily injury or illness directly or indirectly caused or contributed to or by arising from:

1. War, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection of military, naval, air or usurped power.
2. The radioactive, toxic, explosive, or other hazardous properties of any explosive nuclear assembly or Nuclear component thereof.
3. Ionising radiation or contamination by radioactivity from any nuclear waste from the combustion of nuclear fuel.



## GENERAL DEFINITIONS

### WHERE MENTIONED IN THIS POLICY;

#### 1. BUILDINGS SHALL MEAN:

Buildings at the Situation(s) specified in the Policy attached hereto (including alterations and/or additions to buildings by or on behalf of the Insured ) together with landlord's fixtures and fittings, walls, gates, fences, foundations, awnings, exterior lights and signs, storage tanks above and below ground, fixed fire fighting installations, landscaping, paths, roadways and all other improvements of a structural nature, unless specifically excluded.

#### 2. MACHINERY, PLANT AND ALL OTHER CONTENTS SHALL MEAN:

Machinery and Plant of every description and all other Contents not more specifically insured including machinery, foundations, settings and bedding thereof whilst situated in or about the Buildings and in the open air anywhere at the Situation(s) specified in the Policy attached hereto, the property of the Insured, or held in trust or on commission for which the Insured is legally responsible **BUT EXCLUDING** Stock-in-Trade and/or merchandise, clothing, jewellery, personal furniture and personal effects and valuables, owned by the Insured and all property belonging to guests and visitors of the Insured, while contained at the address stated in the policy, unless specifically listed in the Policy attached hereto.

The term "other contents" shall include ;

- a) Cash, Securities, Negotiable Documents, Stamps and/or Credits in Franking Machines (Cash Securities and Stamps limited to \$1,000).
- b) Documents, Manuscripts, Business Books, Data Processing, Computer and all other Records of every description, but only for the value of materials as stationery, and not for the value to the Insured of the information contained therein.
- c) Any curiosity or work of art limited to \$1,000 any one article, and \$5,000 in the aggregate, unless specifically listed on the Policy attached hereto.

#### 3. STOCK-IN-TRADE SHALL MEAN:

Stock, Merchandise, and/or Materials of Trade manufactured, non manufactured and in course of manufacture, work in progress, advertising material and display equipment including all materials used in making and packing of same, contents of storage tanks, works stores and consignment stocks, in or on or about the said buildings and in the yards belonging thereto or elsewhere as specified in the Policy attached hereto, the insured's own or in trust or on commission - warranted not otherwise insured.

#### 4. COST OF REPLACING AND RESTORING DOCUMENTS SHALL MEAN:

The cost of Rewriting and Restoring Documents referred to in the Policy attached hereto, shall be deemed to mean the cost of replacing rewriting and restoring Computer Systems Records, Plans, and Designs, Documents, Manuscripts, and Business Books and other records and all the legal and other costs, charges and expenses of, or incidental to, reinstating and of the said Computer Systems Records, Plans, Drawings, and Designs, Documents, Manuscripts, and Business Books or other records in the event of destruction by fire or other peril hereby insured against.

Insurers liability is limited to the specified sum insured, listed on the Policy attached.



**5. REMOVAL OF DEBRIS SHALL MEAN:**

The cost of removal of debris, demolition and any temporary repairs necessary (including the Insured's legal liability for the cost of removal of debris, demolition, dismantling and temporary repairs in regard to adjoining premises, roadways or waterways, as well as on site) consequent upon the destruction or damage to the property insured and specified in the Policy attached hereto, occasioned by fire or any other peril hereby insured against. If selected, the limit of Insurers liability is the sum insured specified in the Policy attached hereto.

**PROVIDED ALWAYS**

- a) that such cost is not recoverable under any other Policy of Insurance.
- b) that the indemnity afforded by this Insurance shall apply to or include liability assumed by the Insured under agreement entered into after the commencing date of this Insurance unless such liability would have attached to the Insured in absence of such agreement.

**6. LOSS OF RENT SHALL MEAN:**

In the event of the said premises or any part thereof becoming untenable as a result of its destruction or damage by fire or any other peril hereby insured against, and the rent thereby ceasing, the Insurers will, subject to the conditions hereinafter contained, indemnify the Insured for loss of rent in accordance with the lease or agreement existing at the time of such destruction or damage. The Insurers shall only be answerable for rent for such period as the premises (or proportionately in the case of any part thereof) may be actually untenable, due diligence being used in the repair or reconstruction of same, but if from any cause the repair or reconstruction of the said premises be not forthwith commenced, the loss of rent shall be determined by the time which would have sufficed for the purpose had due diligence been used, but in no case exceeding the number of months stated in the Policy attached hereto. In case the rent of the premises for the period specified shall exceed the sum hereby insured the amount payable shall be in the proportion which the sum insured bears to such rent.

If the whole or any part of the premises be occupied by the Insured, the rent therefore shall be assessed at a reasonable market value: And it is further stipulated that should any of the standing charges incurred for maintaining the premises in a tenable condition (such as wages of caretakers, cost of power, lighting and the like) cease or be reduced in consequence of fire or any other peril hereby insured against, then the amount payable shall be reduced accordingly.

**7. CUSTOMERS GOODS SHALL MEAN:**

Goods belonging to the insured's customers whilst at the premises described herein, and specified in the Policy attached hereto, in so far as such goods are not otherwise insured.

**8. MONEY SHALL MEAN:**

Current coin, bank notes, currency notes, cheques (including non-negotiable cheques) credit card sales vouchers, postal orders, money orders, unused postage, revenue stamps and Government approved and issued lottery tickets and vouchers. The limits of indemnity are specified in the Policy attached hereto.

**9. FLOOD SHALL MEAN:**

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



#### **10. REINSTATEMENT OR REPLACEMENT**

(applicable to Buildings, Machinery, Plant and all other Property and Contents, other than Stock in Trade and/or Merchandise )

If selected, and specified in the Policy attached hereto, the basis upon which the amount payable is to be calculated shall be the cost of reinstatement of the Property damaged at the time of its reinstatement, subject to the following provisions and subject also to the terms, conditions and Sums Insured of the Policy attached hereto.

For the purpose of the insurance under the Extension "reinstatement" shall mean;-

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

#### **11. EXTRA COST OF REINSTATEMENT**

(applicable to Buildings, Machinery, Plant and all other Property and Contents other than Stock in Trade).

If selected, and specified on the Policy attached hereto, cover extends to include the extra cost of reinstatement (including demolition or dismantling) of the insured Property damaged necessarily incurred to comply with the requirements of any Act of Parliament or Regulation made thereunder or any By-Law or Regulation of any Municipal or other Statutory Authority, subject to the following provisions and subject also to the terms, conditions and Sums Insured of the Policy attached hereto.

#### **PROVISIONS**

- a) The work of reinstatement (which may be carried out wholly or partially upon another site if the aforesaid Act, By-Law or regulation of any Municipal or any other Statutory Authority so necessitates subject to the liability of Insurers not being thereby increased) must be commenced and carried out with reasonable dispatch, failing which Insurers shall not be liable to make any payment beyond the amount which would have been payable under the Policy if this Extension had not been incorporated therein.
- b) The amount recoverable shall not include the additional cost incurred in complying with any such Act, Regulation, By-Law or requirement with which the Insured had been required to comply prior to the happening of the damage.
- c) Average / Under Insurance shall not be applied to the amount recoverable under this extension and any amount specified shall not be taken into account for Average / Under Insurance purposes in terms set out in any clause contained in the Policy attached hereto.
- d) All other insurance covering the Property affected by or on behalf of the insured shall be on a similar basis.
- e) If the cost of reinstatement of the damage directly caused by any of the Perils insured is less than fifty percent (50%) of what would have been the cost of reinstatement of the Property Insured had such Property been destroyed the amount recoverable shall be limited to the extra cost necessary incurred in reinstating only the portion damaged.
- f) The total amount recoverable under this Extension shall not exceed the Sum Insured specified in the Schedule or, if no separate Sum Insured has been specified shall not exceed twenty percent (20%) of the Sum Insured on Buildings provided the Sum Insured on that item is not otherwise exhausted.



## 12. INDEMNITY

Indemnity value is the cost necessary to replace, repair or rebuild the property to a condition substantially the same as but not better or more extensive than its condition at the time that the damage occurred taking into consideration age, condition and remaining useful life.

## 13. AVERAGE (UNDER INSURANCE)

In the event of destruction or damage by fire or any other peril hereby insured against the Insurers shall be liable for no greater proportion of the destruction or damage than the Sum Insured bears to ninety percent (90%) of the value of the property insured at the such destruction or damage occurs limited however in all cases to the Sum Insured thereon. Provided that the above provision shall not apply if the amount of any destruction or damage does not exceed five percent (5%) of the Sum Insured thereon.

## 14. LIMIT OF INDEMNITY

The limit of liability of the Insurers is limited in respect to each item of Property the sum insured expressed in the Policy attached hereto, to be insured of such items of property or in the whole the total sum insured less the application of any excess.

**Except** that the Sum Insured shown in the Policy for Stock is automatically increased by fifty percent (50%), without additional premium, during the 21 consecutive day period immediately prior to 4pm on Easter Tuesday and/or during the 45 consecutive day period prior to 4pm on New Year's Eve in each year.

### PROVIDED THAT

The maximum additional coverage under this Policy of Insurance shall not exceed \$50,000.

### Provisions

- a) The work of rebuilding, or replacing, or repairing, or restoring, as the case may be (which may be carried out upon another site and in any manner suitable to the requirements of the Insured, but subject to the liability of Insurers not being thereby increased), must be commenced and carried out with reasonable dispatch, failing which the Insurers shall not be liable to make any payment beyond the amount which would have been payable under the Policy if this extension had not been incorporated therein.
- b) When any Property Insured to which this extension applies is damaged in part only, the liability of the Insurers shall not exceed the sum representing the cost which the Insurers could have been called upon to pay for reinstatement if such property had been wholly damaged.
- c) Property Insured under this extension is separately subject to the following:

In this event of damage to Property Insured hereunder caused by any Peril hereby Insured against, Insurers shall be liable for no greater proportion of such damage than the amount of the Sum Insured on such Property on the day of the commencement of the Period of Insurance bears to the sum representing ninety per cent (90%) of the cost which would have been incurred in reinstatement if the whole of the Property Insured hereunder on the day of commencement of the Period of Insurance had been damaged on that day, but not exceeding the Sum Insured expressed in the said Schedule; **provided that** if the sum actually incurred or expended in rebuilding or replacing the Property damaged within the meaning of sub-paragraph (a) of the above-mentioned definition of reinstatement, exceeds the amount which would have been payable under the Policy if this Extension had not been incorporated therein, but is less than the cost of reinstatement as above defined, then the sum so actually incurred and expended shall for all purposes of this extension be deemed to be the cost of reinstatement of the property.

**Provided further that** the above Clause shall not apply if the amount of any loss does not exceed five per cent (5%) of the sum Insured on such Property.



## **15. SPECIFIED ITEMS**

“Specified items” means those items described in the Policy of Insurance attached hereto, as specified items.

## **16. INTERESTS OF OTHER PARTIES**

If any person or entity shall have any interest in the property insured, the Insurer shall protect that interest in the event of a claim, provided that interest is disclosed in the business records of the Insured and the Insured shall have disclosed the nature and extent of that interest at the time of notification of the claim.

Where the separate interests of more than one co-insured in the property insured are insured under this policy, any act or neglect of one co-insured will not prejudice the rights of the remaining co-insured; provided that the co-insured shall, within a reasonable time after becoming aware of any act or neglect whereby the risk of damage has increased, give notice in writing to the Insured and shall on demand pay such reasonable additional premium as the Insurer may require.

## **17. LEASEHOLD**

Where selected and specified on the Policy attached to the policy document, Insurers will indemnify the Insured against loss of the unexpired value of the lease, and licence, arising by reason of the lessor’s neglect, refusal or inability to reinstate the premises occupied by the insured, following loss or damage to the insured premises by fire or any other peril insured by this policy occurring during the period of the insurance, specified on the Policy attached hereto.

### **PROVIDED THAT:**

- (i) Due diligence will be observed by the insured to ensure that all licensing laws are complied with including the erection, if necessary, of a temporary bar or similar facility as it relates to the Insured business.
- (ii) The indemnity payable hereunder shall not exceed 80% of the unexpired value of the lease on the day of the occurrence of the loss or damage which amount shall become payable as soon as liability is established either by the neglect or refusal of the lessor to reinstate the premises or by the refusal of the licensing court to grant an extension to carry on business under the licence, whichever may first occur.



## **SECTION 1 - FIRE AND ALLIED PERILS**

**THIS SECTION IS NOT INCLUDED IN THE POLICY UNLESS INDICATED IN THE SCHEDULE**

### **BUILDINGS AND/OR CONTENTS**

#### **INSURED PERILS**

The Insurers agree that if the property Insured described in the Policy attached hereto, or any part of such Property, at the situation described therein, be destroyed or physically damaged by any part of the following Perils:-

**1. Fire** (whether resulting from an explosion or otherwise) not occasioned by or happening through its own spontaneous fermentation or heating or its undergoing any process undergoing the application of heat.

**2. Lightning**

**3. Explosion** but excluding-

- a) loss, destruction of or damage to boilers (other than those used for domestic purposes only) and/or economisers and/or vessels under pressure and their contents resulting from the explosion thereof.
- b) any loss, destruction or damage to property which at the time of happening of such destruction or damage is insured by any Boiler Insurance Section except in respect of any excess beyond the amount payable for destruction or damage to the said Property by such Boiler Insurance Sections.

**4. Wind and/or Water** but excluding loss, destruction or damage caused directly or indirectly -

- a) by flood, the sea, tidal wave or high water unless specifically included in the schedule.
- b) by steam or condensation
- c) by erosion, subsidence, landslide or mud slide, or any other earth movement
- d) by water seeping or percolating from outside the premises
- e) by water entering the premises as a result of structural defects, faulty design of the premises or faulty workmanship
- f) to gates, fences, retaining walls, textile awnings, blinds or signs
- g) to property in the open air unless the property compromises or forms part of a permanent structure designed to function without the protection of walls or rooves
- h) to buildings (or their contents) in course of construction or reconstruction, unless such buildings are under roof with all outside doors and windows permanently in place.

This peril shall include destruction of/or damage to the property insured caused by (the) water discharged or leaking from Automatic Sprinkler Installations together with expenses incurred for the attendance of the Fire Brigade for the purpose of shutting off the water supply following such discharge or leakage from Automatic Sprinklers in premises occupied and/or owned by the insured.

Provided that the Insured shall at all times take all reasonable steps to maintain the Automatic Sprinkler Installation/s (Including Automatic Alarm Signal/s) in proper working order.



**5. Impact by-**

- a) vehicles designed primarily for use on land
- b) animals
- c) aircraft or other aerial devices, space debris or debris from an aircraft, rocket or satellite
- d) watercraft
- e) falling trees and/or parts of a tree
- f) a television or radio aerial that has been broken or collapsed

**6. Earthquake, Subterranean Fire or Volcanic Eruption** or happening through or in consequence of earthquake, subterranean fire or volcanic eruption, **PROVIDED** that in respect of destruction or damage to property occurring during any one period of 72 consecutive hours the Insurers shall not be liable to pay or contribute to; -

- a) the first \$20,000
- b) an amount equal to 1% of the total sum insured whichever is the lesser amount ,

in respect of all buildings (whether or not separated by roadways) and contents, which are in the same ownership located at one situation and form one establishment. Provided further that the amount calculated under the Proviso above shall first be deducted from the amount of that claim, as finally determined for loss arising out of any one event, as ascertained after application of the Co-Insurance Clause as set in Special Condition number 1 in this Section of the Policy.

**7. Riots, Strikes or Civil Commotion and Malicious Damage** which will mean the acts of or by:

- a) persons taking part in riots, strikes or civil commotion or locked out workers or persons taking part in labour disturbances or of malicious persons acting on behalf or in connection with any particular organisation but excluding destruction or damage caused directly or indirectly by total or partial cessation of work or the retarding or interruption or cessation of any process or operation.
- b) Vandals, burglars or persons of malicious intent not being tenants **PROVIDED** that
  - i) the Insured shall bear the first \$250 or the excess stated on the Policy, of each and every claim arising out of one event, and
  - ii) the police are immediately informed of any malicious damage
- c) any lawfully constituted authority in connection with the acts referred to in this Insured Peril 7. For the purpose only of Insured Peril 7 (a) and (b) destruction of or damage to the property insured shall include the physical loss of the property insured.

**EXCLUSION**

This Policy does not cover damage directly or indirectly to the property, which at the time of happening of such loss, destruction, breakage or damage is insured by any other more specific Policy or Policies, except for any excess beyond the amount which would have been payable under such Policies.



## **SECTION 2 - CONSEQUENTIAL LOSS**

**THIS SECTION IS NOT INCLUDED IN THE POLICY UNLESS INDICATED IN THE SCHEDULE**

In the event of the Property Insured under Section 1 of this Policy of Insurance and specified on the Policy attached hereto, having been destroyed or physically damaged by any of the perils insured against and if the Business carried on by the Insured at The Premises be in consequence thereof interrupted or interfered with then, Insurers will pay to the Insured in respect of each item specified in the Policy attached hereto, the amount of loss resulting from such interruption or interference in accordance with the provisions herein contained.

### **PROVIDED THAT**

Insurers will not be liable for any loss under this Section unless the Insured's property destroyed or damaged at the Premises is insured against such damage (loss arising out of destruction or damage by explosion of Boilers and/or Economisers excepted) and the Insurers by which such property is insured shall have paid for or admitted liability in respect of such damage or would have paid for or admitted liability but for the operation of any Excess and that the liability of the Insurers shall in no case exceed in respect of each item the Sum Insured expressed in the Policy Schedule attached hereto, or in the whole the Total Sum Insured.

### **INTEREST INSURED**

#### **1. GROSS PROFIT**

The insurance under this Item is limited to loss of Gross Profit due to :-

- a) REDUCTION IN TURNOVER, and
- b) INCREASE IN COST OF WORKING,

and the amount payable as indemnity shall be:-

- i) In respect of REDUCTION IN TURNOVER:  
the sum produced by applying the rate of gross profit to the amount by which the turnover during the INDEMNITY PERIOD shall, in consequence of the damage, fall short of the STANDARD TURNOVER .
- ii) In respect of INCREASE IN COST OF WORKING;  
the additional expenditure (subject to the provisions of Memo 2) necessary and reasonably incurred for the sole purpose of avoiding or diminishing the REDUCTION IN TURNOVER, which but for that expenditure would have taken place during the INDEMNITY PERIOD in consequences of the damage, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided.

LESS any sum saved during the Indemnity Period in respect of such of the Charges and Expenses of the business payable out of Gross Profit as may cease or be reduced in consequence of the damage.

### **PROVIDED THAT**

If the Sum Insured be less than the sum produced by applying the Rate of Gross Profit to the annual turnover, (or the proportionate multiple thereof should the Indemnity Period exceed 12 months), the amount payable shall be proportionately reduced.



## 2. PAYROLL

THE INSURANCE UNDER THIS ITEM is limited to loss in respect of PAYROLL and the amount payable as indemnity thereunder shall be:-

### a) **IN RESPECT OF REDUCTION IN TURNOVER**

- i) during the portion of the Indemnity Period beginning with the occurrence of the damage and ending not later thereafter than the initial period of weeks stated in the Schedule, the sum produced by applying the Rate of Payroll to the shortage in Turnover during the said portion of the Indemnity Period less any saving during the said portion of the Indemnity Period through reduction in consequence of the damage in the amount of Payroll paid.
- ii) during the remaining portion of the Indemnity Period the sum produced by applying the Rate of Payroll to the Shortage in Turnover during the said remaining portion of the Indemnity Period.

LESS any saving during the said remaining portion of the Indemnity Period through reduction in consequences of the damage in the amount of Payroll paid.

But in any case not exceeding the sum produced by applying the percentage of the rate of Payroll specified in the Schedule to the Shortage in Turnover during the said remaining portion of the Indemnity Period, increased by such amount as is deducted for savings under the terms of Clause (1).

#### **NOTE :**

At the option of the Insured the number of weeks referred to in Clause (a) (1) above may be increased to the Option to Consolidate figure stated in the schedule provided that the amount arrived under the provision of Clause (a) (ii) shall not exceed such amount as is deducted under Clause (a) (i) for savings effecting during the said increased number of weeks.

### b) **IN RESPECT OF INCREASE IN COST OF WORKING**

so much of the additional expenditure described in Clause (b) of item 1 as exceeds the amount payable thereunder but not more than the additional amount which would have been payable in respect of reduction in Turnover under the provisions of Clause (a) (i) and (ii) of this item had such expenditure not been incurred.

#### **PROVIDED THAT**

If the Sum Insured by this item be less than the sum produced by multiplying the percentage that the sum insured bears to the full amount of the payroll for the full indemnity period by the Rate of Payroll to the annual Turnover (or the proportionate multiple thereof should the Indemnity Period exceed 12 months) the amount payable under this item shall be proportionately reduced.

## 3. PUBLIC ACCOUNTANTS' CHARGES FOR CLAIMS PREPARATION

The Insurance under this item is limited to the reasonable charges payable by the Insured to their Auditors or Public Accountants for producing and certifying any particulars or details contained in the Insured's book of account or other business books or documents or such other proofs, information or evidence as may be required for the preparation of claims under the Fire and Consequential Loss of this Policy of Insurance.

## 4. ADDITIONAL INCREASED COST OF WORKING

The Insurance under this item is limited to such further additional expenditure beyond that recoverable under Clause (b) of numbers 1 and 2 as the Insured shall necessarily and reasonably incur during the Indemnity Period in consequence of the damage for the purpose of avoiding or diminishing the reduction in turnover and/or resuming or maintaining normal business operation and/or services.



## **5. CLOSURE OR EVACUATION; FOOD OR DRINK POISONING; MURDER; SUICIDE PREVENTION OF ACCESS.**

Any loss as insured by this Policy of Insurance attached hereto, resulting from interruption to or interference with the Business directly or indirectly arising from:

- a)
  - i) a felonious act by a person or persons other than the insured;
  - ii) infectious or contagious disease in humans incurring at the business premises;
  - iii) vermin or pests or defects in the drains or the sanitary arrangements at the business premises;
  - iv) the outbreak of a notifiable infectious or contagious disease in humans occurring at the business premises;
- b) poisoning directly caused by the consumption of food or drink provided on the business premises;
- c) murder or suicide occurring in or at the business premises;
  - i) shall be deemed to be loss resulting from damage to property used by the insured at the business premises.
- d) interruption to your business that is caused by any legal authority preventing or restricting access to the insured premises as a result of damage to or threat of damage to the insured property.

## **6. SUPPLIERS AND / OR CUSTOMERS PREMISES.**

The Insurance under this item extends to include loss resulting from interruption of or interference with the insured business in consequence of damage to property at specified premises in Australia of any of your nominated producers or merchants. Insurers liability under this item in respect of any one loss or a series of losses arising out of any one event or occurrence at any one specified premise, shall be limited to five percent (5%) of the total of the values of your gross profit and payroll declared as at the day of commencement of the period of Insurance.

The term premises of a producer refers to specified premises, at which any of the goods or services used by the Insured are produced, assembled or stored.

The term premises of a merchant refers to specified premises to which the Insured provides goods or services.

## **DEFINITIONS**

Definitions relating to this section

### **1. GROSS PROFIT**

The amount by which

- a) The sum of the TURNOVER and the amount of the CLOSING STOCK shall exceed,
- b) The sum of the amount of the OPENING STOCK and the amount of UNINSURED SPECIFIED WORKING EXPENSES as specified in the Schedule.

### **NOTE:**

The amount of the OPENING and CLOSING STOCK shall be arrived at in accordance with the insured's normal accountancy methods, due provision being made for depreciation.

### **2. TURNOVER**

The Money (less discounts, if any, allowed) paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the Business at the Premises.



### **3. SPECIFIED WORKING EXPENSES**

Those charges on the business which vary directly to TURNOVER (also known as variable expenses).

### **4. INDEMNITY PERIOD**

The period beginning with the occurrence of the damage and the ending not later than the number of months stated in the Schedule Policy attached hereto, thereafter during which the results of the Business shall be affected in consequence of the damage.

### **5. RATE OF GROSS PROFIT**

The rate of Gross Profit earned on the Turnover during the financial year immediately before the date of damage.

### **6. ANNUAL TURNOVER**

The Turnover during the twelve months immediately before the date of damage.

### **7. STANDARD TURNOVER**

The Turnover during that period in the twelve months immediately before that date of the damage which corresponds with the Indemnity Period.

### **8. PAYROLL**

The remuneration including Payroll Tax, Bonuses, Holiday pay or other payments pertaining to Payroll of all employees in the service of the insured.

### **9. RATE OF PAYROLL**

The Rate of Payroll to Turnover during the financial year immediately before the date of the damage 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.

### **10. SHORTAGE IN TURNOVER**

The amount by which the Turnover during a period shall in consequence of the damage fall short of the part of the Standard Turnover which relates to that period.

### **1. ADJUSTMENT CLAUSE APPLICABLE TO DEFINITIONS NO: 5, 6, 7 AND 9.**

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 the Business had the damage not occurred, so that the figures thus adjusted shall represent nearly as may be reasonably practicable the results but which for the damage would have been obtained during the relative period after the damage.

### **MEMO 1: TURNOVER ELSEWHERE AFTER DAMAGE**

If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the Premises for the benefit of the Business either by the Insured or by others on his behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.



## **MEMO 2: UNINSURED STANDING CHARGES**

If any Standing Charges of the Business be not insured by this Policy attached hereto, (having been deducted in arriving at the Gross Profit as defined herein) then in computing the amount received hereunder as Increase in Cost of Working that proportion only of the additional expenditure shall be brought into account which the Gross Profit bears to the sum of the Gross Profit and the Uninsured Standing Charges.

## **MEMO 3: ACCUMULATED STOCKS**

If adjusting any loss, account shall be taken, and equitable allowance made if any shortage Turnover due to damage is postponed by reason of the Turnover being temporarily maintained from accumulated stocks of finished goods.

## **MEMO 4: NEW BUSINESS CLAUSE**

For the purpose of any claim arising from damage occurring before completion of the first year's trading of the Business at the premises the terms Rate of Gross Profit, Annual Turnover and Standard Turnover shall bear the following meanings and not as within stated ;

### **RATE OF GROSS PROFIT**

The Rate of Gross Profit earned on the Turnover during the period between the date of commencement of the date of the damage.

### **ANNUAL TURNOVER**

The proportional equivalent for a period of twelve months of the Turnover realised during the period between commencement of the Business and date of the damage.

### **STANDARD TURNOVER**

The proportional equivalent for a period equal to the Indemnity Period of the Turnover realised during the period between the commencement of the Business and the date of the damage.

## **MEMO 5: SALVAGE SALE CLAUSE**

If, following Damage giving rise to the claim under the Policy attached hereto, the Insured shall hold a salvage sale during the Indemnity period, Sub-Clause (I) of item 1 of this Section shall, for the purpose of such claim be deemed to read as follows;

- a) In respect of Reduction in Turnover:-  
the sum produced by applying the rate of Gross Profit to the amount by which the Turnover during the Indemnity Period (less Turnover for the period of salvage sale ) shall, in consequence of the damage, fall short of the Standard Turnover from which sum shall be deducted the Gross Profit actually earned during the period of the Salvage Sale.

## **MEMO 6: PUBLIC UTILITIES EXTENSION**

Any loss resulting from interruption or interference with the Business in consequence of damage of property caused by a peril, damage as a result of which hereunder at any electricity station or sub-station, gas works, or water works of a public supply undertaking which is situated on or immediately adjacent to the insured premises shall be deemed to be loss resulting from damage to property used by the Insured at the premises.

## **LIMIT OF INDEMNITY**

The limit of liability of the Insurers shall be shown on the Schedule and subject to any sub-limits and Clauses asset out herein.



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## **SPECIAL CLAUSES RELATING TO THIS SECTION**

### **1) DISRUPTION TO BUSINESS**

This section of the Policy attached hereto, shall be avoided if:

- a) the business be wound up or carried on by a liquidator or receiver or permanently: or
- b) the Insured's interest ceases otherwise than by death: or
- c) any alteration be made either in the Business or in the Premises or Property therein whereby the risk of damage is increased.

at any time after the commencement of this Insurance unless its continuance be admitted by memorandum signed by or on behalf of the Insurers.



## **SECTION 2 (B) - ACCIDENTAL DAMAGE**

**THIS SECTION IS NOT INCLUDED IN THE POLICY UNLESS STATED IN THE SCHEDULE**

### **INTEREST INSURED**

If the Property Insured described in the Policy Schedule attached hereto, or any part of such Property (hereinafter called "Property"), at the situation described therein be destroyed or damaged by accidental or physical means from a cause or circumstance not excluded by this Policy of Insurance or for which protection has been or would have been provided under any other section of this Policy had the Insured elected to insure (hereinafter called "Accidental Damage"), The Insurers will indemnify the insured for the value of the Property at the time of the happening of its destruction or the amount of such damage or at its option reinstate or replace such property or any part thereof:

### **PROVIDED THAT**

The liability of the Insurers shall in no case exceed in respect of each item to the sum expressed in the said Policy Schedule attached hereto, to be insured thereon or in the whole the Total Sum Insured.

### **EXCLUSIONS**

#### **1. This Policy does not cover** damage directly or indirectly to the Property

- a) arising out of any manufacturing process,
- b) which at the time of the happening of such loss, destruction or damage is insured by,
  - i) any Marine Policy
  - ii) any other more specific Policy or Policies except for any excess beyond the amount which would have been payable under such Policies,
- c) undergoing construction erection, alteration or addition,
- d) whilst in transit other than the incidental movement of such Property within the Premises of the Insured at the Situation,
- e) of safes or strongrooms caused by persons not authorised by the Insured attempting to effect entry.

#### **2. The Underwriter shall not be liable in respect of any legal liability of whatsoever nature.**

#### **3. This Policy does not cover:**

Damage directly or indirectly caused by or arising from inconsequence of or contributed by:

- a) data processing or media failure or breakdown or malfunction of the processing system including operating error or omission;
- b) moth, termites or other insects, vermin, rust or oxidation, mildew, mould, contamination or pollution, wet or dry rot, corrosion, change of colour, dampness of atmosphere or other variations in temperature or exposure to light or darkness, evaporation, disease, inherent vide or lateral defect, adjusting testing or servicing operations, loss of weight, change in flavour, texture or finish, smut or smoke from industrial operations.
- c) mechanical, hydraulic, electrical or electrical breakdown, failure, malfunction or derangement of any machine or electrical and/or electronic device and/or damage to goods maintained on a temperature controlled environment where such loss or damage arises directly out of mechanic hydraulic or electrical and/or electronic breakdown to the temperature controlling equipment;
- d) wear, tear, fading, scratching or marring, gradual deterioration or developing flaws, normal upkeep or making good;



- e) error or omission in design, plan or specification or failure of the design during testing;
- f) normal setting, seepage shrinkage or expansion in buildings or foundations, walls, pavements, roads and other structural improvements, creeping and/or heaving, vibration;
- g) faulty materials or faulty workmanship;
- h) spontaneous combustion, fermentation or heating or in any process involving the direct application of heat;
- i) fraud or dishonest acts involving the property insured on the part of the Insured or any employee of the Insured acting alone or in collusion with any other person or persons, embezzlement including forgery, erasure and counterfeiting including fraudulent misappropriation by electronic means;
- j) unexplained inventory shortage or disappearance resulting from clerical or accounting errors, shortage in the supply or delivery of materials to or from the insured;
- k) burglary or theft;
- l) failure of the supply of water, gas, electricity or fuel;
- m) cessation of work whether total or partial,
- n) cessation, interruption or retarding of any process or operation, as a direct result of strikes, labour disturbances or locked out workers;
- o) water from the sea, tidal wave, high water, flood, erosion, subsidence, collapse and/or earth movement;
- p) incorrect site of buildings;
- q) demolitions ordered by the Government or public or local authorities due to the failure on the part of the Insured or their agents to obtain the necessary permits required.



## **SECTION 3 - PART A - BURGLARY/THEFT**

### **THIS SECTION IS NOT INCLUDED IN THE POLICY UNLESS INDICATED IN THE SCHEDULE**

The Insurers agree that if any of the Property described in this Burglary part of the Policy Schedule attached hereto, or any part of such Property which belongs to the Insured or for which the Insured is legally liable, whilst contained within the premises (which SHALL NOT include garden, yard, open verandah, or other appurtenances) specified in the said Policy Schedule attached hereto, be lost or damaged as a result of:-

- a) THEFT consequent upon actual forcible and violent entry upon the premises or any attempt thereat
- b) THEFT or any attempt thereat by a person unlawfully concealed on the Premises
- c) THEFT or any attempt thereat committed upon the Premises by a person who uses assault or immediate violence or thereof to the Insured or their employees

### **OPTIONAL COVER**

The following cover is applicable ONLY IF STATED on the Policy attached hereto.

#### **1. Theft without Forcible Entry**

Insurers will provide indemnity for Theft where there is no forcible and violent entry into the building. The maximum cover available under this extension is \$4,000, or the stated sum insured on the Policy attached hereto, whichever is the lesser. If the optional cover is selected, the events covered a) is altered to read, a) entry into the building.

#### **PROVIDED THAT**

During any one Period of Insurance the liability of the Insurers shall in no case exceed in respect of each item of the Property Insured described in the said Policy the Sum Insured thereon or in respect of the whole Total Sum Insured.

### **EXCLUSIONS**

This Policy does not cover:-

1. Loss or damage occurring during any period whereby the Premises became unoccupied and so remain for a period of more than Thirty (30) consecutive days.
2. Cash, bank and currency notes, cheques including non negotiable cheques, credit card sales vouchers, postal orders, money orders, unused postage and revenue stamps, franking machine contents travellers cheques, securities and other negotiable instruments.
3. Loss or damage involving the Property Insured committed by the Insured or any Employee of the Insured acting alone or in collusion with any other persons provided that this Exclusion shall not apply to theft consequent upon forcible and violent entry upon premises or felonious concealment upon premises committed by any Employee, Agent, Sub-contractor or Service Provider of the Insured.
4. Loss or damage occasioned by or consequent upon fire
5. Unexplained inventory shortage or disappearance resulting from clerical or accounting errors, shortage in the supply or delivery of materials to or from the Insured.
6. Loss or damage insured under any other Section or Part of this Policy, or which would have been indemnifiable under any other Section or Part of the Policy had such Section or Part been operable at the time of the said Loss or Damage
7. Loss from yard or building or part of building incapable of being adequately secured against theft.



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#### **LIMIT OF INDEMNITY**

The limit of liability of the Insurers shall be shown on the Policy Schedule attached hereto, and subject to any sub-limits and Clauses as set out herein.

**Except** that the Sum Insured shown in the Policy for Stock is automatically increased by 50%, without additional premium, during the 21 consecutive day period immediately prior to 4pm on Easter Tuesday and/or during the 45 consecutive period immediately prior to 4pm on New Year's Eve in each year.

#### **PROVIDED THAT**

The maximum additional coverage under the Policy attached hereto, shall not exceed \$25,000, but in no case shall the Total Sum Insured inclusive of the additional coverage exceed \$100,000.



## **SECTION 3 - PART B - MONEY**

### **THIS IS NOT INCLUDED IN THE POLICY UNLESS INDICATED IN THE SCHEDULE**

1. The Insurers agree that if the Insured shall suffer loss or damage to money as described in the Policy Schedule attached hereto, belonging to the Insured or for which the Insured is responsible from any cause not excepted by this Policy. The Insurers will indemnify the Insured for all such loss or damage up to the specified in the Schedule as the Limit Any One Loss during the period of Insurance, provided that such loss or damage to money is discovered by the Insured within five (5) working days after it occurred.
2. Limits of any one loss (as specified from each item in the schedule)
  - a) **In transit or night safe**

Money in the personal custody of the Insured and/or persons authorised by the Insured whilst being prepared for bank deposit or in transit to or from the premises including transit from the private residence of the Insured and/or persons authorised by the Insured to bank and including whilst such money is contained in the night safe of any bank where the Insured normally transacts business **provided that** the liability of the Insurer for money in night safes shall cease at bank closing time on the next business day following deposit therein.
  - b) **On premises during business trading hours**

Money whilst on the premises during normal business trading hours of the Insured
  - c) **On premises outside normal business trading hours**

Money whilst on premises outside of normal business trading hours of the Insured
  - d) **In locked safe**

Money on premises only whilst such money is contained in a securely locked safe
  - e) **In private residence**

Money whilst contained in the residence of the Insured or persons authorised by the Insured **provided that** the liability of the Insurer shall cease at bank closing time on the next bank business day following that on which the transit of money to the residence was completed
  - f) **Damage to safes/strongrooms**

Consequent to forced entry or attempted forced entry to gain access to contents thereof.
  - g) **Holiday increase**

The limit of any one loss in respect to contingencies A, B, D, and E are increased by fifty percent (50%) on any bank holiday (other than Saturday and Sunday ) and when the bank facilities are not available, but in no case shall this increase exceed \$10,000 in additional coverage.

### **PROVIDED THAT**

The liability of the Insurer shall cease at bank closing time on the next bank business day following the bank holiday.



**Business Trading hours** shall mean the business trading hours authorised by the relevant Government Act including one hour prior to commencement of trading and one hour after.

### **3. EXCLUSIONS**

#### **THIS POLICY DOES NOT COVER**

- a) loss due to shortages resulting from clerical or accounting errors or loss due to errors in receiving and paying out.
- b) loss not discovered within three working days of the occurrence
- c) loss or damage by or through the collusion of or fraudulent embezzlement by or the fraudulent misappropriation by the Insured or any person or persons in the service of the Insured.
- d) loss of or damage to money carried by professional money carriers, professional carriers or common carriers.
- e) loss from an unattended vehicle.
- f) loss from a safe or strong room opened by a key or by use of details of a combination, whilst the insured's premises are closed for business.
- g) any consequential loss whatsoever.
- h) loss or damage occurring outside the Commonwealth of Australia.

### **CONDITIONS APPLICABLE TO SECTION 3 - PART B - MONEY**

The cover provided for Money on premises during business trading hours indemnifies the Insured only whilst such money is contained in a cash register, locked money drawer, locked money tin, locked filing cabinet, or on the Insured person, or the Insureds employees person on the premises or whilst being counted in preparation for banking.

Provided that such money is returned to a securely locked cash register, locked money drawer, locked money tin, or locked filing cabinet during any interruption to its preparation for banking and/or awaiting transit to your bank.



## **SECTION 3 - PART C - GLASS**

**THIS SECTION IS NOT INCLUDED IN THE POLICY UNLESS INDICATED IN THE SCHEDULE**

### **INTEREST PERILS**

1. External Fixed Glass, Perspex, Plastic and Sky-Lights.
2. Internal Fixed glass including wash basins, sinks, toilet pans cisterns and shelving.
3. Neon Signs, and Plastic Signs provided they are specified in the Schedule.

### **INSURED PERILS**

Against loss or damage caused by breakage

But excluding

- a) any disfiguration or damage to glass other than a fracture extending through the entire thickness of the glass
- b) breakages arising directly or indirectly from or in consequence of fire, artificial heat or flood
- c) cracked or imperfect glass unless specially declared as such and specifically included in the Policy Schedule attached hereto..
- d) glass when in transit or whilst being fitted into position or removed from its fitting.
- e) breakage occurring during any period whereby the premises become unoccupied and remain for a period of more than Thirty (30) consecutive days.

### **BASIS OF SETTLEMENT**

It shall be at the option of the Insurers either to pay the Insured the amount of the loss in money, or to make replacement with glass of similar manufacture and quality, however the Insurers will pay the extra cost necessarily incurred to comply with the minimum requirements of any Statutory Authority.

Following breakage of the glass insured, this Policy of Insurance includes:

- a) the cost of removal or replacement of any frames, fixtures, fittings or other obstruction forming part of the shop front, necessarily incurred for reglazing.
- b) the cost of replacing any signwriting or ornamentation or burglar alarm tape or wiring, but not exceeding \$1000 unless otherwise stated in the Schedule.
- c) the cost of temporary shuttering, boarding up and/or other protection of the Property exposed pending replacement, but not exceeding \$1000 unless otherwise stated in the Schedule.
- d) damage to Stock by broken glass, but not exceeding \$1000 unless otherwise stated in the Schedule.
- e) damage to show case frames and/or fittings, but not exceeding \$1000 unless otherwise stated in the Schedule.
- f) damage to window frames and/or modifications in compliance with the minimum requirements of any Statutory Authority.
- g) the cost of repair or placement of Neon Signs up to the Sum Insured stated in the Schedule.



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**PROVIDED THAT**

The liability of the Insurers for (b), (c), (d) and (e) cumulatively shall not exceed \$1,000 in the aggregate any one loss, unless specified in the Schedule.

**EXCESS**

The Insured shall bear the amount indicated in the Schedule in respect of each loss or series of losses arising out of one event.



## **SECTION 3 - PART D – GENERAL PROPERTY**

**THIS SECTION IS NOT INCLUDED IN THE POLICY UNLESS INDICATED IN THE SCHEDULE**

### **Interest Insured:**

As per Policy Schedule.

### **Limit of Liability:**

As more specifically defined in the schedule and in the Basis of Valuation Clause here in defined but in no case shall the Indemnity under this policy exceed in the aggregate the sum insured in the schedule.

### **Geographic Scope of Cover:**

As per Policy Schedule.

### **Conditions of Cover:**

This insurance will indemnify the insured in respect of accidental direct physical loss or damage to the property described herein, subject to the exclusions here in defined.

Warranted that any vehicle or place of storage is at all times securely locked when not in use and/or not attended.

Insurers will also pay for the cost of hiring similar equipment pending replacement of the lost or damaged equipment for a period of up to one (1) month from the date of such loss or damage, provided that the total payment for such hire shall not exceed twenty (20) percent of the Sum Insured on the lost or damaged equipment.

### **EXCLUSIONS:**

In no case will this Insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from:-

1. Flood, whether naturally or artificially caused, being the inundation of normally dry land by water escaping or released from the normal confines of any natural watercourse or lake (whether or not altered or modified) or any reservoir, canal, or dam, or by rainwater run off over the surface of the land, unless caused by blocking failure or inadequacy of any storm water drain or street gutter.
2. The sea, tidal wave or high water, or by the Insured interest being damaged by water resulting from being exposed to the open air.
3. Theft or misappropriation by hirers and/or their employees.
4.
  - a) Loss or damage by theft from an unoccupied premise or vehicle, unless directly resulting from violent or forcible entry to such premise or vehicle, except when the said premises are the Venue of Performance, Rehearsal or Recording, when theft cover without violent or forcible entry shall be granted, provided that all reasonable and practical steps to prevent theft have been taken.
  - b) Loss or damage from an unoccupied vehicle where the property has been left unattended in a vehicle overnight.
5. Loss or damage arising from wear and tear, gradual deterioration, moth, vermin, woodworm, or from any process of cleaning, repairing, dyeing or restoring any article.
6. Loss or damage arising from electrical & mechanical derangement, unless such derangement is caused by any external means (not otherwise excluded under this insurance), or the apparatus is damaged at one and the same time.
7. Breakage of valves and or transistors in electronic equipment, unless such breakage is caused by any external means (not otherwise excluded under this insurance), or the apparatus is damaged at one and the same time.
8. Delay, loss of market, indirect or consequential loss of any kind.
9. Breakage of strings, and or reeds and or drum heads.



10. Climatic and or atmospheric conditions and/or extremes of temperature. Actual or threatened war, invasion of foreign enemies, hostilities (whether war declared or not), civil war, rebellion, revolution, insurrection, military usurped power, confiscation, nationalization, requisition, or destruction of or damage to the property by or under the order of any government or public or local authority.
11. Strikes, riots, civil commotion, civil disturbances assuming the proportions of or amounting to a popular uprising, martial law or the act of any lawfully constituted authority,
12. Seizure or destruction under quarantine or Customs regulations, confiscation, nationalization or requisition, or destruction of or damage to property by or under the order of any government, public or local authority, or handling of contraband trade or transportation.
13. Unexplained or inventory shortage or disappearance resulting from clerical or account errors or any other mysterious and unexplained causes.
14. Faulty materials within the insured item or faulty workmanship performed on the insured item.
15. Fraudulent or dishonest acts, fraudulent misappropriation, embezzlement and or forgery by or on behalf of the insured.
16. The Insured's interests in any premises having become unoccupied and remaining unoccupied for a continuous period of thirty (30) days.
17. **INSTITUTE RADIOACTIVITY CONTAMINATION CLAUSE:** This clause shall be paramount and shall override anything contained in the Insurance consistent therewith. In no case shall this Insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from:-
  - Ionizing radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion's 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 weapons of war employing atomic or nuclear fission and or fusion or other like reaction or radioactive force or matter.
18. **ELECTRONIC DATE RECOGNITION CLAUSE:** This Policy excludes loss or damage caused by, resulting from, contributed to or made worse by the failure of any owned or non-owned:-
  - Computer system, computer equipment, hardware, program or software: or
  - Micro-chip, integrated circuit or similar device in computer equipment or non-computer equipment:
    - to correctly recognize any date as its true or correct date. Losses which ensue from such failure are only insured against if the are caused by or result from fire, lighting, explosion, aircraft or vehicular impact, falling objects, windstorm, hail, tornado, hurricane, cyclone, riot, strikes, civil commotion, vandalism, malicious mischief, theft or freezing of plumbing or sprinkler systems.

The endorsement also excludes costs or expenses you incur to repair or modify any:

- Computer system, computer equipment, hardware, program or software: or
  - Computer equipment or non-computer equipment containing a micro-chip, integrated circuit or similar device;
- in order to correct deficiencies or failures of logic or operation.

**Basis of Valuation:**

- A) The "Value" on which settlement will be based shall be the cost of replacing the Lost or Damaged item with a new one of equal standard up to the limit provided in the schedule. (Subject to all other Policy Conditions herein.)
- B) In the event of partial loss or damage to any item insured the amount of loss shall be the cost and expense of restoration plus any resulting depreciation in value but not exceeding the Value of that item. (Subject to all other Policy Conditions herein.)
- C) In the event of loss of or damage to any insured property which has a special or increased value by virtue of forming part of a pair or set, any indemnity under this insurance shall not take account of any such special or increased value but shall only be a proportional part of the value of the pair or set.
- D) Following the payment of the full amount insured for any item, pair or set, the Insurers will become the full owners, and reserve the right to take possession of the item, pair or set.



## **SECTION 3 - PART E MACHINERY/BOILER AND PRESSURE VESSEL COMPUTER ELECTRONIC EQUIPMENT INSURANCE AND DETERIORATION OF STOCK**

**THIS SECTION IS NOT INCLUDED IN THE POLICY UNLESS INDICATED IN THE SCHEDULE**

### **1. COVER**

The Insurers agree that if there shall occur to the Insured items described in the Schedule attached hereto, for this Section any sudden and unforeseen physical loss or damage from any cause not hereinafter excluded which necessitates repair or replacement to allow continuation of use, the Insurers will provide insurance of each occurrence up to but not exceeding the Sum(s) Insured detailed in the Schedule.

The Insurance applies at the situation and during the Period of Insurance but only after completion of the successful initial commissioning.

### **2. SUM INSURED**

The Sum Insured for each and every insured item must not be less than the New Replacement cost, at the commencement of the current period of insurance, which shall mean the cost of replacement of the insured item by a new item of the same kind of capacity, as approved by the Insurers, including packing, freight, government charges, and installation costs.

### **3. BASIS OF SETTLEMENT OF CLAIMS**

#### **a) Repairable Damage**

Where damage to any insured item can be repaired the Insurers will be liable under this Section, pay all expenses necessarily incurred to restore the damaged item described in the Schedule in its former state of serviceability, including the cost of Dismantling and Re-erection incurred for the purpose of effective repairs, as well as Freight Charges, Penalty Rates, Government Charges, Cost of Hire (but not exceeding \$2000.00 any one loss and in the aggregate) of a temporary replacement of computers, electronic equipment (as specified in the Schedule) and/or electric motor(s) and the Replacement of Refrigerant lost from insured items as a direct result for which liability is accepted by the Insurers under this Section, subject to depreciation in the Schedule attaching and forming part of this Policy of Insurance

If the repairs are executed at a workshop owned by the Insured, the Insurers will pay the cost of materials and wages incurred for the purpose of the repairs.

If the cost of the repairs equals or exceeds the ACTUAL value of the Insured item immediately before the occurrence of the damage, the settlement shall be made on the basis of a TOTAL LOSS, but this shall be limited to indemnity only and depreciation will apply.

#### **b) Total Loss**

Where an Insured item described in the Schedule is total lost or destroyed the Insurers will at their own option either:-

- i) supply and equivalent replacement item similar in type, capacity and condition to the Insured item immediately prior to the occurrence of the loss and pay any costs for ordinary freight and erection;

**OR**



- ii) pay the actual value of the Insured item immediately before the occurrence of the loss, plus the costs for ordinary freight, erection and government charges if any. Such actual value to be calculated by deducting proper depreciation from the new replacement cost of any item.

The Insurers will also pay any normal charges for the removal of the Insured items destroyed, less the value of any salvage, providing that the total liability of the Insurers shall not exceed the sum Insured.

**c) The Insurers shall not pay the cost of any:-**

- i) alterations, additions, improvements, overhauls, adjustments, cleaning, maintenance, service, replacement of undamaged components;
- ii) provisional repairs or remedial actions unless such repairs or actions constitute part of the final repairs and do not increase the total repair costs;
- iii) extra charges incurred for the charter of aircraft or for air freight from overseas unless specifically agreed by endorsement

**d) Excess**

The amount specified in the Schedule Policy attached hereto.

**e) Depreciation Rates**

The following rates of depreciation will apply to losses under this section to all insured plant and equipment, in addition to the excess specified in the Policy attached hereto.

**Age of equipment:** 0-3 years nil %:in excess of 3 years, 5% per annum to a maximum deduction of 50%.

#### **4. DETERIORATION OF STOCK**

This additional cover is available only if specified in the Schedule attached hereto, and is subject to the specified excess.

The Insurers will indemnify the Insured against loss or damage to the refrigerated goods in the cold storage spaces cooled by the Plant specified in the schedule due to deterioration or putrefaction caused by:

- a) A change in temperature due solely to:
  - i) Insured Damage to the Plant;
  - ii) operation or failure of thermostats, pressure controls or limiting devices but shall not include loss due the manual operation or setting of switches.
  - iii) the accidental failure of public supply services
  - iv) the sudden leakage of refrigerant from the Plant or Pressure Pipe System forming part of the Plant specified in the Schedule.
- b) Contamination of the goods resulting only from leakage of refrigerant from the plant;

**Provided that** the liability of the Insurers under this extension for all claims arising out of any one occurrence shall not exceed the Limit of Indemnity specified in the schedule attached hereto less the Excess.

The Insurers may, at their own option, replace the refrigerated goods.



c) **Exceptions**

This additional cover excludes:

- i) Consequential loss, damage or liability due to or arising from the deterioration or putrefaction of the goods;
- ii) Loss of or damage to goods due to the failure of public services as a result of any deliberate act by the supply authority not performed for the sole purpose of safeguarding life or protecting any part of the public supply system;
- iii) Loss or damage to goods due to any scheme or rationing not necessitated solely by accidental damage to the public supply's undertakings generating or supply equipment;
- iv) Loss of or damage to goods due to or resulting from disease or improper storage, damage to packing material, inadequate air circulation or non-uniformity of Temperature.

**5. EXCLUSIONS**

The underwriter shall not be liable under this section for:

- a) cost or loss or damage unless necessary as part of the rectification of loss or damage indemnifiable under the section of the following items of equipment:-
  - i) belts, ropes, wires, chains, links, slings, grabs, tyres, tracks;
  - ii) shear pins, rupture plates or other load limiting devices;
  - iii) electric heating elements, filaments, fuses, brushes, electrical contacts, valves, globes, tubes.
  - iv) cutting tools, knives, blades, edges, dies, keys, templates, moulds, patterns;
  - v) breaking or grinding or pulverising surfaces, engraved cylinders;
  - vi) glass porcelain, ceramics, refractories;
  - vii) seals, glands, gaskets, jointings, packings, fabrics, leathers, felts, sieves, filters, screens;
  - viii) lubricants, fuels, catalyses, insulating oils, heat exchanging liquids;
  - ix) recharging of refrigerant gas/liquid when occasioned by normal usage or by leakage from glands, seals, gaskets or joints;
  - x) foundations and masonry;
- b) cost or loss or damage due to:-
  - i) wear and tear due to the normal operation of the machine;
  - ii) gradual leakages, defects, cracks, fractures, deterioration including erosion, rust, corrosion, boiler scales, oxidisation, or metal fatigue;
  - iii) scratching or discolouration of painted or polished surfaces;
  - iv) imposition of abnormal condition or stresses directly or indirectly related to testing, intentional overloading, or experimentation, except where specifically agreed by the Insurers and endorsed on the Schedule;
  - v) defects or faults known or which ought reasonably to have been known to the Insured or his responsible employees at the time of arrangement of this insurance and not disclosed to the Insurers;



- vi) fire, smoke, soot, extinguishing of fire or subsequent demolition or collapse;
  - vii) storm, direct lightning, tempest, windstorm, hurricane, cyclone or water;
  - viii) earthquake, subterranean fire, volcanic eruption, landslip, avalanche, subsidence or flood;
  - ix) impact of landbourne vehicles, waterborne craft, aircraft or other aerial devices, or articles dropped therefrom;
  - x) riot, strike, malicious damage, lockout, civil commotion, persons taking part in labour disturbances or malicious persons acting on behalf or in connection with any political organisation;
- c) additional costs due to:-
- i) delay, detention, penalties, or consequential loss of any kind or description whatsoever unless specifically endorsed on to this Section.



## **SECTION 4 - PUBLIC AND PRODUCTS LIABILITY**

**THIS SECTION IS NOT INCLUDED IN THE POLICY UNLESS INDICATED IN THE SCHEDULE**

### **INDEMNITY CLAUSE**

We will indemnify You against claims for Compensation in respect of Injury of Damage happening during the Period of Insurance and caused by an event in connection with Your Business.

Our liability in respect of any one Occurrence will not exceed the Sum Insured. Where such an event has been caused, the Insurer will honour the claim only if it has first taken place after the Retroactive Date.

### **SUPPLEMENTARY PAYMENTS CLAUSE**

In addition, with respect only to liability falling within the indemnity provided by the INDEMNITY CLAUSE, the Companies will also make Supplementary Payments as provided by this SUPPLEMENTARY PAYMENTS CLAUSE.

Should the Insured's established or agreed liability for Compensatory Damages exceed the applicable Limit of Liability stated in the Schedule, the Companies will only pay that percentage of Supplementary Payments which that Limit of Liability bears to the amount of liability for Compensatory Damages. Under no circumstances will the total of Supplementary Payments exceed an amount equal to 50% of the applicable Limit of Liability.

### **LIMITS OF LIABILITY CLAUSE**

The Limit of Indemnity is the amount stated in the Schedule. This is the maximum amount the Insurer will pay in respect of any one Occurrence provided that, for all legal liability directly or indirectly arising out of Your Products, the Insurer's total aggregate liability during any one Period of Insurance will not exceed the Limit of Indemnity. You must pay the amount shown in the Schedule as the Excess in respect of each claim for Property Damage.

### **DEFINITIONS**

For all purposes of this Policy:

1. "The Insured" includes:
  - (a) the Named Insured stated in the Schedule together with all Related Entities as defined in the Corporations Act 2001 (Cth);
  - (b) any Director, Officer or employee of any entity described in clause 1(a) above, or their personal representative, but only while acting within the scope of their duties in that capacity;
  - (c) any Principal of the Named Insured or a Related Entity, but only in respect of liabilities arising out of the performance by the Insured or Related Entity of work for such Principal, and then only to the extent required by the relevant contract.
  
2. "Personal Injury" means:
  - (a) bodily Injury, sickness, disease or disability, including resultant death;
  - (b) false arrest or false imprisonment, wrongful detention or wrongful eviction, malicious prosecution or humiliation;
  - (c) malicious falsehood, defamation or breach of the right to privacy;
  - or
  - (d) trespass to the person, assault or battery, not committed by or at the Insured's direction unless for the purpose of preventing or eliminating imminent or present danger to persons or property happening during the Period of Insurance

The Occurrence out of which a Claim for Personal Injury involving a latent or gradual onset injury, sickness, disease or disability arises, shall be deemed to have first taken place on the date such injury, disease, sickness or disability, as the case may be, was first medically diagnosed.



3. "Property Damage" means physical injury to or destruction of tangible property, including the resultant loss of use of that damaged or destroyed property. The Occurrence that gives rise to a Claim for Property Damage, which consists of latent damage or gradual deterioration, shall be deemed to have first taken place on the date such latent damage or deterioration was first discovered by the person making the Claim.
4. "Occurrence" means an event, including continuous or repeated exposure to the same or similar conditions, which causes Personal Injury or Property Damage neither expected nor intended from the Insured's standpoint.
5. "Employee" means any person employed under a contract of service, by any of the entities referred to in DEFINITIONS clause 1(a) above, and includes persons deemed by Common Law, or by the operation of any Statute, ordinance or regulation, to have been so employed.
6. "Medical Persons" means:
  - (a) registered nurses and first aid attendants, legally qualified as such in Australia; and
  - (b) medical practitioners and dentists, not in the employ of the Insured, who are legally qualified as such in Australia.
7. "Insured's Products" means anything, after it has ceased to be in the Insured's possession or under the Insured's control, which is manufactured, constructed, erected, installed, repaired, serviced, treated, sold, supplied or distributed by the Insured (including any container other than a vehicle).
8. "Vehicle" means any form of mobile, mechanically powered conveyance which may be used for the transportation of goods or persons by land, sea, air or under the ground. It includes all such machines which are intended wholly or partially for recreational purposes, but does not include any plant or equipment while it is being used as such and is neither being used for haulage nor is in transit to or from or within any work site.
9. "Pollution" means the discharge, dispersal, release or escape of smoke, vapour, soot, fumes, acids, alkalis, toxic chemicals, liquids, gases, waste materials or any other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water.
10. "Policy" means the contract of insurance between the Named Insured and the Insurer, as embodied in the Proposal, the Schedule, this policy text and all Endorsements and Memoranda attached to and agreed to form part of it, but does not include any Statutory Notices required to be provided in connection with it or any legislative provisions to which its operation may be subject.
11. "Retroactive Date" means the date specified as such in the Schedule or the Commencement Date of this Policy, whichever is the earlier. If no Retroactive Date is specified or the words "nil", "not applicable" or words of similar effect appear, the Retroactive Date is the Commencement Date.
12. "Insured's Business" means all the activities referred to as such in the Schedule.
13. "Claim" means the positive assertion by another person or organisation of a legal entitlement to compensatory damages from an Insured, addressed in writing to the Insured and expressed in terms which indicate an intention to pursue it.
14. "Limit of Liability" and "Sub-Limit of Liability" mean the amounts specified as such in the Schedule, where applicable.
15. "Commencement Date" means the date specified in the Schedule as the first calendar day of the Period of Insurance; "Expiry Date" means the last calendar day of the Period of Insurance.
16. "Period of Insurance" means the period during which the cover provided by this Policy is in force, beginning at 4.00 pm on the Commencement Date and concluding at 4.00 pm on the Expiry Date.



17. "The Insurer" means the entity referred to as such in the Schedule.
18. "Compensatory Damages" means civil damages, other than punitive, exemplary or aggravated damages, fines or penalties, which an Insured may become liable to pay or may with the Insurer's consent agree to pay, to a claimant in connection with a Claim, and includes all charges, expenses and legal costs of the claimant for which the Insured may also become liable or may so agree to pay.
19. "Supplementary Payments" means all charges, expenses and legal costs, incurred by the Insurer or by the Insured with the written consent of the Insurer, in connection with the investigation, defense or settlement of Claims.

## **EXCLUSIONS**

This insurance does not apply to:

1. Any liability which an Insured may incur, whether under the provisions of any Worker's Compensation legislation, industrial award, agreement or determination or otherwise, toward any Employee of that Insured for Personal Injury suffered by that Employee.
2. Liability for Property Damage to:
  - (a) property owned, leased or hired by the Insured, except for leased premises where the damage is caused by fire, explosion, water leakage or Vehicle impact;
  - (b) property in the Insured's physical or legal control, except for property of the Insured's Employees, or Vehicles which are not used by or on the Insured's behalf but which are damaged whilst in the Insured's car park, provided that the Insured's Business does not include ownership or operation of a car park for reward.
3. Liability for Property Damage to the Insured's Products, if such damage is attributable to any defect or deficiency in those Products or their harmful nature or unsuitability.
4. Any Claim for performance of the Insured's obligations under any contract, including an agreement to indemnify any other person or organisation against a loss or liability, or for damages for the Insured's failure to perform such an obligation. This includes but is not limited to contractual obligations toward others arising out of or involving injuries to the Insured's Employees. This decision, however shall not apply to statutory warranties, or to any liability for Personal Injury or Property Damage which would nevertheless have been imposed upon the Insured even in the absence of such a contractual obligation.
5. Damages claimed for the withdrawal, recall, inspection, repair, replacement or loss of use of the Insured's Products, or of any property of which such Products form a part, if such Products or property are withdrawn from the market or from use because of any known or suspected defect or deficiency in them.
6. Any liability arising out of the ownership, maintenance, operation or use by an Insured of any Vehicle.
7. Any liability arising out of or in connection with the provision of, failure to provide or any error or omission in connection with, professional advice or services, including but not limited to plans, designs, specifications, recommendations or instructions and irrespective of whether or not a fee is charged for the advice or service, on the part of any Insured. This Exclusion, however, shall not apply to:
  - (a) the rendering of or failure to render professional medical advice or assistance by medical persons employed by the Insured to provide first aid and/or other medical services on the Insured's premises;
  - (b) commercial representations or recommendations, manuals, standard operating directions or instructions for use, made or issued in connection with the Insured's Products; or
  - (c) errors in design, formulation, specification or preparation of the Insured's Products, before they have ceased to be in the Insured's possession or under the Insured's control.



8. Any liability, of whatever nature and however arising, directly or indirectly arising out of or in connection with Pollution, including but not limited to the prevention, clean up or containment of it, any Personal Injury or Property Damage caused by it and the remediation of any environment affected by it, provided, however, that this Exclusion shall not apply where the Insured has proved, on the balance of probabilities, that the discharge, dispersal, release or escape involved:
  - (a) did not occur gradually over a period of time but suddenly, at an identifiable point in time; and
  - (b) as entirely unexpected, unintended and fortuitous from the standpoint of the Insured.
9. Any liability established in legal proceedings made or prosecuted against an Insured in any court of any jurisdiction within the United States of America or Canada, their territories, protectorates or other dominions, including proceedings brought in any jurisdiction to enforce any judgment obtained in such a court.
10. Any liability arising out of or in connection with Personal Injury or Property Damage (including loss of use of property) directly or indirectly arising out of or in connection with:
  - (a) the mining, processing, transportation, distribution, processing and/or storage of asbestos or asbestos-related products;
  - (b) any process or procedure for the extraction, removal, disposal, treatment or control of asbestos, or for the decontamination or remediation of property affected by asbestos.
11. Any liability arising out of any defamatory publication or utterance or malicious falsehood:
  - (a) made prior to the commencement of the Period of Insurance; or
  - (b) made at the Insured's direction with knowledge of its falsity or reckless disregard for its or truth or falsity; or
  - (c) made in connection with advertising, broadcasting, telecasting or publishing activities conducted by or on the Insured's behalf.
12. Any liability directly or indirectly arising out of or in connection with war, invasion, acts of foreign enemies, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, military or usurped power. This includes expropriation, seizure, confiscation, nationalisation, damage or destruction of the Insured's Products or of any other Property, by or under the order of any defacto or de jure government or authority.
13. Liability directly or indirectly arising out of or in connection with ionising radiation or contamination by radioactivity from any man-made source.

## CONDITIONS

1. The Insured must give written notice, to [claimsnotification@dominionunderwriting.com](mailto:claimsnotification@dominionunderwriting.com) on behalf of the Insurer, of every Claim or Occurrence out of which a Claim might reasonably be expected to arise, as soon as reasonably possible after the Insured itself becomes aware of that Claim or Occurrence.
2. The Insured shall not without the Insurer's consent in writing make any admission, offer, promise, payment or settlement in connection with any Occurrence or Claim and the Insurer, if it so desires, shall be entitled to take over and conduct on behalf of the Insured and in its name the investigation, defense, negotiation or settlement of any Claim, in such manner and upon such terms as they may consider appropriate.
3. The Insured shall use their best endeavours to preserve any property, Products, equipment or other evidence which might prove relevant, necessary or useful in connection with the investigation of any Occurrence or the negotiation, defence or settlement of any Claim and, so far as may be reasonably practicable, no alternation, disposal or repair shall be effected without the Insurer's consent, until the Insurer has had full opportunity to inspect and preserve any evidence.
4. The Insurer shall be subrogated to and shall be entitled to prosecute in the Insured's name, at its own expense and for its own benefit, any cause of action (including a claim for contribution or indemnity) which the Insured may have against any other person or organisation, arising out of an Occurrence which has given rise to a Claim in respect of which indemnity for Compensatory Damages or a Supplementary Payment has been provided by the Insurer under this Policy. It is not a requirement of the pursuit of subrogation, under this Condition, that actual payment first be made by the Insurer.

The Insured shall do nothing to restrict, compromise, prejudice or limit the Insurer's rights of subrogation after an Occurrence. If the Insured does anything of the sort, including entering into any compromise or release of liability with any other party, the Insurer may adjust the indemnity for Compensatory Damages and any Supplementary Payments



provided under this Policy by the monetary equivalent of the prejudice caused to them. The Insurer shall have first right to the proceeds of any such recovery action but shall account to the Insured for any amount which they may recover, in excess of the total amount of indemnity for Compensatory Damages and Supplementary Payments paid under this Policy, after deduction of the Insurer's costs of recovery.

5. The Insurer shall have full discretion in the conduct of the investigation, defence, negotiation or settlement of any legal proceedings, in connection with any Claim or any subrogation recovery, and the Insured shall provide all necessary information, cooperation and assistance as the Insurer may reasonably require in connection with any Claim or recovery. This shall be at the Insured's own expense, except that the Insurer shall promptly reimburse the Insured for any out of pocket expenses, other than remuneration, lost profits or opportunity costs, incurred in the provision of such information, cooperation or assistance.
6. In the event of an Occurrence, the Insured shall promptly take at its own expense all reasonable steps to prevent or to mitigate Personal Injury or Property Damage, arising from that Occurrence or similar Occurrences, and to reduce the likelihood of Claims. Under no circumstance shall the expense of complying with this condition be recoverable under this Policy.
7. In respect of all Claims directly or indirectly arising out of one source or original cause, the Insurer may at any time tender to the Insured the balance of the Limit of Liability in respect of those Claims, or such lesser amount as the persons making the Claims are willing to accept, at that time, in full and final settlement. The Insurer shall then be under no further liability under this Policy in respect of those Claims, except for:
  - (a) charges, expenses and legal costs which may subsequently be recoverable from the Insured only in respect of the period prior to the date on which the Limit of Liability was tendered; and
  - (b) charges, expenses and legal costs incurred by the Insured, with the Insurer's written consent, prior to that date.
8. The Insured shall take all reasonable precautions to prevent Personal Injury and Property Damage from arising out of or in connection with its Business, and shall comply with and ensure that its Employees, contractors, agents and other representatives comply with all statutory obligations, Codes, bylaws or regulations which may be applicable to the Business from time to time. In particular, and without limiting the generality of the foregoing, the Insured shall at its own expense take all reasonable steps to trace, recall and/or modify any of its Products which it knows or has reason to suspect may contain any defect or deficiency which may render them injurious to persons or property, and shall comply promptly with all statutory obligations which may be imposed upon it in this regard.
9. Each of the persons or entities comprising the Insured shall be treated, for the purposes of this Policy, separately and distinctly from all of the others and the word "Insured" shall be applied to them in the same manner as if a separate policy had been issued to each, however under no circumstances shall this Condition operate in such a manner as to increase the Insurer's Limit of Liability or any Sub-Limits, beyond those which would apply if there were only a single Insured.
10. This Policy also insures the liability of any Principal of the Insured, arising out of the performance by the Insured of any work for such Principal, but only to the extent required under the relevant contract and subject always to the Limits of Liability and to the other terms, Conditions and Exclusions of the Policy. In the case of any conflict between the terms of the relevant contract and this Policy, this Policy shall prevail.
11. The Insured must ensure payment of the premium specified in the Schedule to the Insurer within sixty days of the commencement of the Period of Insurance.
12. The insured must provide the Insurer, as soon as reasonably practicable, with written notice of every change which materially varies or alters any of the facts or circumstances, relating to any of the parties falling within the definition of the Insured or to the Insured's Business, as they were disclosed in the Proposal or known to the Insurer at the commencement date of this Policy. This includes the entry by an Insured, after the commencement of the Policy, into any contract, arrangement or understanding which may limit its legal rights against any other party, to which the Insurer might otherwise be subrogated.



In the event of such a material change, the Insurer reserves the right to cancel or to amend the terms of this Policy, as it may consider appropriate, or to charge such additional premium as may be reasonable in the circumstances. If the Insured does not provide notice of a material change sufficiently before the happening of an Occurrence as to give the Insurer adequate opportunity to exercise its rights under this Condition, the Insurer may refuse coverage, in whole or in part, in respect of any Claim arising out of that Occurrence.

13. In the event of any Claim for which the Insured is entitled to coverage under this Policy and also under any other policy or policies then in the event that the Insured elects to pursue its rights under this Policy the Insured must inform the Insurer of the full details of all such other insurances, and must provide all reasonable assistance to the Insurer in enforcing their rights to ratable contribution.
14. The Named Insured may cancel this Policy, on behalf of all other persons or entities falling within the definition of Insured or otherwise entitled to the benefit of the insurance, at any time by giving immediate written notice to Dominion Underwriting Agents Pty Limited.

The Insurer may cancel this Policy by giving three business days' notice in writing to the Named Insured, in any of the circumstances permitted by Section 60 of the Insurance Contracts Act 1984 (Cth). In the event of cancellation by either party, the Insurer may retain pro-rata premium for the time on risk. In the event of cancellation by the Insured, a penalty loading of 20% of the full-adjusted annual premium will also apply. When the premium is subject to adjustment, cancellation by either party will not effect the Insured's obligation to supply such information as the Insurer may reasonably require for the adjustment of the premium. Neither will cancellation effect the Insured's obligations to pay the amount of the adjustment, as applied to the pro-rata premium.

15. The Insurer shall be permitted but not obliged to inspect the Insured's Business and operations at any time. Neither the Insurer's right to make inspections nor the making of any inspection nor any report of an inspection shall constitute any form of undertaking, acknowledgement or representation regarding the safety or appropriateness of the Insured's Business or the manner in which it is being carried on, or a waiver of any of the Insurer's other rights. The Insurer may examine and audit the Insured's books and records at any time during the Period of Insurance, including any renewals or extensions of it, and within three years after the final renewal has concluded, in so far as they may relate to the subject matter of the insurance.
16. Should the premium for this Policy or any renewal have been calculated on estimates furnished by the Insured, and subject to adjustment at the end of the Period of Insurance, then the Insured must keep accurate records and all necessary evidence of all particulars required to enable the adjustment to be promptly and efficiently calculated, and must permit the Insurer to inspect this evidence at such times and in such manner as they may reasonably require. Within thirty days of the expiry of each Period of Insurance the premium for which is subject to adjustment, the Named Insured shall furnish to Dominion Underwriting Agents Limited, which shall receive it on behalf of the Insurer, a statement containing full particulars and supporting information required to calculate the adjustment.

The premium for the expired Period of Insurance shall then be adjusted accordingly and any extra premium or return premium required shall be paid by or credited to the Named Insured, as the case may be, within thirty days. Nothing in this Condition precludes the retention, by the Insurer, of any minimum premium applicable to the relevant Period of Insurance.

17. This Policy shall, at all times and in all respects, be governed by and subject to the laws of the Commonwealth of Australia, including but not limited to the Insurance Contracts Act 1984 (Cth), and the Insured and the Insurer agree to submit to the jurisdiction of competent Australian Courts in relation to all matters arising under or in connection with it. This Condition shall not preclude the parties from agreeing to submit any dispute to Arbitration, or to any other form of Alternative Dispute Resolution, after it has arisen.



**RECREATIONAL MOTOR VEHICLES/WATERCRAFT ENDORSEMENT**

Attached to and forming part of the Policy Number:

It is hereby agreed and declared that, with effect from the date of this Endorsement, Definition 8 "Vehicle" is wholly deleted and replaced by the following:

"Vehicle means any form of mobile, mechanically-powered conveyance which may be used for the transportation of goods or persons by land, sea, air or under the ground. It does not include any such device [which travels only on the ground] [which travels only on water], which is used only for competitive, sporting or recreational purposes and which is not required to be registered under the laws of any Australian State or Territory. Neither does it include any plant or equipment while it is being used as such and is neither being used for haulage nor is in transit to or from or within any work site."

**INEFFICACY ENDORSEMENT**

Attached to and forming part of the Policy Number:

It is hereby declared that the Companies will not be liable for claims arising out of or in connection with Personal Injury or Property Damage arising directly or indirectly out of or caused by, through or in connection with the failure of the Insured's Products to detect, prevent, retard, alleviate, eliminate or cure illness or injury to person or loss of or damage to property which the Insured's Products are designed, intended, represented, warranted or agreed to do or achieve.

**SIGNATURE:----- DATE-----**