

Trades Insurance

Policy Wording



FORTEM
UNDERWRITING



Fortem Underwriting Pty Ltd, (Fortem Underwriting ABN 59 616 844 207) is an Authorised Representative (AR No. 1255131) of insurer, The Hollard Insurance Company Pty Ltd (Hollard Insurance ABN 78 090 584 473 and AFS Licence No. 241436). Fortem Underwriting has been given a binder authority to enter into contracts of insurance as Hollard Insurance's agent. Please see Fortem Underwriting's Financial Services Guide for details of the Financial Services they have been authorised by Hollard Insurance to provide to customers.

This policy wording was prepared on 20 October 2020 and tells you about our Trades Insurance. Any advice provided is general only and does not take into account your individual circumstances. You should carefully read this document and any other documentation we send you and keep them in a safe place for future reference.

We may need to update this policy wording from time to time if certain changes occur, where required and permitted by law. We will issue you with a new policy wording or other compliant document to update the relevant information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance, we may issue you with notice of this information in other forms or keep an internal record of such changes (you can get a paper copy free of charge by calling us).

Digital Policy Wording

This Trades Insurance will be issued as a digital only product from 1 May 2019. Until this date you will be able to obtain a hard copy of the policy wording by contacting your broker.

Commencing 1 May 2019, we will only provide the policy wording and all other product documentation in electronic form. You can also obtain an electronic copy of the policy wording and any other important information about the product, by contacting your broker.

After you purchase this product, if you require replacement copies of your documents, we will either send you, or your broker, digital copies, or provide you, or your broker with a link to access digital copies. The digital copies will be in a form that can be downloaded, saved and printed. By purchasing this product, you agree to receive all information, documents and notices in digital form and you acknowledge that you must make every effort to inform us of any changes to your contact details.

Hollard is your insurer

Trades Insurance is underwritten by The Hollard Insurance Company Pty Ltd (Hollard) ABN 78 090 584 473 AFSL 241 436. Hollard has appointed Hollard Commercial Insurance Pty Ltd (ABN 86 603 039 023, AFSL 47450) to manage and administer the distribution of this product.

Level 12, 465 Victoria Ave, Chatswood NSW 2067

Telephone: 1300 143 536

Email: connect@hollardcommercial.com.au

Mailing address: Locked Bag 2010, St Leonards NSW 1590

Hollard Select is a trading name of Hollard Commercial Insurance Pty Ltd.

www.hollardcommercial.com.au

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ABOUT HOLLARD

Hollard's unique business model and partnership philosophy have quickly established Hollard as the partner of choice for many of Australia's leading underwriting agencies and independent insurance brokers, financial institutions and retailers.

Hollard is authorised by the Australian Prudential Regulation Authority (APRA) and holds an Australian Financial Services Licence issued by the Australian Securities and Investment Commission.

ABOUT HOLLARD COMMERCIAL INSURANCE

Hollard Commercial Insurance Pty Ltd (ABN 86 603 039 023, AFSL 474540) (HCl) is a subsidiary of Hollard and has been appointed by Hollard to manage and administer the distribution of this product. HCl acts as an agent for Hollard and not for You. For more information, please refer to the HCl Financial Services Guide (FSG) available at www.hollardcommercial.com.au.

IMPORTANT INFORMATION

Important Documents

This is your policy document and it consists of:

1. this printed policy wording which sets out details of what is and what is not covered by this policy;
2. the Insurance Certificate we provide with details of:
 - who is insured;
 - the cover(s) selected;
 - the period of insurance;
 - the respective sums insured and/or limits of liability;
 - excesses and other important information.

You should ensure that you read these documents carefully and keep them in a safe place. If you have any questions regarding the policy or Insurance Certificate, please contact your insurance broker.

Words with special meaning

Some words used in this policy have special meaning. Where the meaning of the word applies to a single section, that

meaning will appear at the start of that section. A list of words which have the same meaning throughout the document appears at the end of the policy.

Who is insured under this policy

The persons or organisations that are covered by this policy are shown on the Insurance Certificate. In this policy, those persons or organisations are referred to as 'you' or 'your'. We will extend the policy to cover other persons or organisations requiring cover under this policy if you have advised us of them, and we have named them on the Insurance Certificate. All persons or organisations covered by the policy have to comply with the terms of the policy. We may refuse to pay a claim or reduce the amount we pay if you or any person covered by the policy does not comply with the terms of this policy.

Your cooling off rights

You can cancel your policy within 14 days of the commencement or renewal of cover. The commencement or renewal date of your cover is stated on your Insurance Certificate. If we receive your written request to cancel this policy within the 14 day period, we will cancel the policy effective from the commencement date, and give you a full refund (less any taxes, duties or commissions payable that we are unable to refund). You cannot use this right where, before the 14 day period ends, you have exercised any of your rights or powers under the policy (e.g. you have made a claim). After the cooling off period ends, you still have cancellation rights under the policy. These rights are documented under 'General conditions that apply to every section of the policy'.

Your premium

Your premium is calculated when your policy begins and at each policy renewal. Your Insurance Certificate provides details of your premium and when we calculate that premium we consider the type of cover requested by you and the various risks involved in providing that cover. Your premium also includes allowances for government taxes and stamp duty relating to your policy which will be shown on your Insurance Certificate.

Evidence of value

Please retain receipts of purchase or proof of the value of all property insured by this policy so that you can substantiate the amount of any loss if you have to claim under this policy.

Privacy of your personal information

We recognise that your privacy is very important to you. We are committed to protecting the privacy and security of your personal information in accordance with the Privacy Act, 1988. We generally collect personal information directly from you, or from someone authorised by you, in order to provide and administer the various products and services we offer, including marketing information regarding other products and services (of Ours or a third party). If we are unable to collect your personal information, we may not be able to assess your application or offer to issue the financial product or service to you. We may disclose your personal information to related parties, services providers and other third parties, including disclosure overseas (this can change from time to time and you should contact us for details and to see if this applies to you), in order to manage and administer the financial product or service or for other purposes as explained in Our Privacy Policy. You may reasonably obtain access to and ask us to correct your personal information that we hold. Our Privacy Policies can be viewed on our websites **www.hollard.com.au** and **www.hollardcommercial.com.au** or a copy can be requested by phoning **02 9253 6600** and **1300 143 536**.

Financial Claims Scheme

Hollard is an insurance company authorised under the Insurance Act 1973 (Insurance Act) to carry on general insurance business in Australia by the Australian Prudential Regulation Authority (APRA) and are subject to the prudential requirements of the Insurance Act. The Insurance Act contains prudential standards and practices designed to ensure that, under all reasonable circumstances, financial promises made by Hollard are met within a stable, efficient and competitive financial system.

The protection provided under the Financial Claims Scheme legislation applies in relation to Hollard and the policy. If Hollard was to fail and were unable to meet their obligations under the policy, a person entitled to claim under the policy may be entitled to payment under the Financial Claims Scheme (access to the Scheme is subject to eligibility criteria). Information about the Financial Claims Scheme can be obtained from the APRA website at **www.fcs.gov.au** or the APRA hotline on 1300 558 849.

Hollard is exempted from the requirement to meet the compensation arrangements Australian financial services licensees must have in place to compensate retail clients for loss or damage suffered because of breaches by the licensee or its representatives of Chapter 7 of the Corporations Act. Hollard has compensation arrangements in place that are in accordance with the Insurance Act.

General Insurance Code of Practice

Hollard is an Australian insurance company and is a signatory to the General Insurance Code of Practice. The objectives of this Code are to:

- promote better, more informed relations between insurers and their customers;
- improve consumer confidence in the general insurance industry;
- provide better mechanisms for the resolution of complaints and disputes between insurers and their customers; and
- commit insurers and the professionals they rely upon to higher standards of customer service.

You can obtain a copy of the Code from the Insurance Council of Australia website **www.insurancecouncil.com.au** or by phoning **02 9253 5100** or **1300 728 228**

The Dispute Resolution Process

We welcome every opportunity to resolve any concerns you may have with our products or service. In the first instance contact your insurance broker.

If your concern is still not resolved to your satisfaction please write to our Internal Dispute Resolution Committee at:

The Hollard Insurance Company PtyLtd
Internal Dispute Resolution Committee
Locked Bag 2010
St Leonards NSW 1590

Or email **resolution@hollard.com.au** or call
02 9253 6600.

Your concern will be investigated by an officer with full authority to deal with the issue and you will be informed of the outcome within fifteen working days of receiving your concern.

If your concern still remains unresolved to your satisfaction or has not been resolved within 45 days, you may refer the matter to the Australian Financial Complaints Authority (AFCA) subject to its Rules, which acts as the external dispute resolution scheme for all financial firms. AFCA is an independent body, established by the Federal Government and its service is free to you. AFCA can be contacted via:

post GPO Box 3, Melbourne, Victoria 3001

web www.afca.org.au

email info@afca.com.au

phone 1800 931 678

A decision of AFCA is binding on us (up to specified jurisdiction limits). A decision of AFCA is not binding on you and you have the right to seek further legal assistance.

POLICY CONDITIONS

You must abide by all conditions of this policy and we draw your special attention to those detailed below, and the conditions applicable to the making of a claim. If you do not comply with the policy conditions we may reduce or refuse to pay a claim and cancel your policy to the extent permitted by law.

Your duty of disclosure

Before you enter into an insurance contract, you have a duty of disclosure under the Insurance Contracts Act 1984.

It is your responsibility to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you renew, extend, vary or reinstate an insurance contract.

You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

If you do not tell us something

If you do not tell us anything you are required to, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

Precautions

You must take all reasonable precautions for the care, safety, protection and maintenance of your property and comply with all statutory obligations, by-laws and regulations imposed by any public authority. If you do not comply with this condition, and loss or liability is caused, we may reduce the amount we pay you.

Preventing our right of recovery

We will not cover you for loss, damage or liability if you have agreed not to seek compensation from another person who is liable to compensate you for any loss, damage or liability which is covered by this policy.

Paying your premium

Your policy will not operate until you have paid your premium. The premium is payable when you take out a new policy and when you renew your policy. If you make changes to your policy you may need to pay an additional premium or you may be entitled to a refund. If your premium payment is dishonoured by your financial institution, this policy will not operate and you will not be covered in the event of a claim.

OUR AGREEMENT

We agree to provide you with the cover set out in each of the policy sections which you have selected and that are listed on your Insurance Certificate. This cover is in force for the period of insurance set out on your Insurance Certificate. We will cover you for loss, damage and/or liability occurring during the period of insurance, subject to the terms and conditions of the policy.

We will not pay any more than the sum insured or limit of liability for each section shown on your Insurance Certificate unless otherwise stated. If any loss or damage sustained in an incident leads to a claim under more than one section of this policy, you will only have to pay one excess. However, that excess will be the highest of the excesses applicable under the sections involved in the claim.

GENERAL PROPERTY

1. Words with special meaning in this section

building means that part of a permanent and fixed structure with a roof and walls which is capable of fully enclosing an area under the roof when all external doors and windows are closed. Building does not include any yard or other open space, or any veranda, pergola, carport or other open sided structure which cannot be fully enclosed by the use of doors and/or windows.

insured items means the items which are shown on your Insurance Certificate under the 'General Property' section.

The following types of items could be considered as General property:

1. mobile plant;
2. photographic or video equipment;
3. mobile communication equipment, including telephones and radios;
4. sporting equipment;
5. electronic equipment, including computers, diaries, GPS units;
6. accessories for the items listed above.

The maximum amount we will pay for any individual item of insured property is \$2,500 unless the item has been individually described, identified, and listed on your Insurance Certificate with a specific sum insured.

Insured items that have not been specified and that are described on your Insurance Certificate only in general terms such as 'all property' or the like do not include:

1. items 1 to 6 above;
2. stock;
3. customers property;
4. vehicles, trailers, aircraft or watercraft;
5. accessories, spare parts or tools of any of the items described in 4 above.

insured loss means loss or damage arising from a sudden and unforeseen accident.

2. What we cover

You have the option of selecting our Comprehensive cover or Restricted cover for your general property items. If you have selected Restricted cover it will be shown on your Insurance Certificate.

Comprehensive cover

We will cover you for insured loss to any insured items anywhere in Australia up to the sum insured shown on your Insurance Certificate that occurs during the period of insurance.

Restricted cover

If Restricted cover is shown on your Insurance Certificate we will cover insured loss up to the sum insured shown on your Insurance Certificate, that occurs during the period of insurance and is caused by:

1. fire, storm, water, explosion, impact by a vehicle;
2. earthquake, aircraft impact, malicious damage;
3. collision or overturning of the conveying vehicle;
4. theft following visible, forcible and violent entry to locked vehicles, including locked tool boxes securely attached to the vehicle, or locked buildings; and
5. theft of equipment securely attached to a vehicle through the use of locks or padlocks, which results in visible damage to the securing devices.

3. What we do not cover

1. loss or damage to any sporting equipment whilst in use;
2. any consequential loss or damage.
3. loss or damage caused directly or indirectly by:
 - cracking, scratching, marring or breakage of glass or fragile items or surfaces unless as a consequence of an insured loss
 - rust, oxidation, mildew, mould, moths, insects, vermin, dry rot, change of colour/flavour, contamination or pollution;
 - any process of heating, drying, cleaning, dyeing or alteration to any insured item;
 - the action of light or atmospheric conditions or gradually developing conditions, wear and tear and/or depreciation;
 - dishonesty or trickery by you or others to whom any insured item may be delivered, entrusted, loaned or rented;
 - theft by employees;
 - unexplained inventory shortage;
 - faulty materials or workmanship;
 - mechanical, electronic or electrical breakdown unless as a consequence of an insured loss.

4. How we will pay your claim

At our option we will either:

1. repair the item to a condition equal to its condition when new;
2. replace the item with an item of equal output or capacity.

If the item is not replaced or repaired, we will not pay more than the indemnity value of the item. We will not be responsible for the cost of any alterations, improvements, or overhauls carried out on the occasion of repair or replacement resulting from any insured loss. Our settlement will not exceed the sum insured shown on your Insurance Certificate for this section.

BUSINESS LIABILITY

1. Words with special meaning in this section

advertising injury means personal injury arising out of:

1. libel, slander or defamation;
2. any infringement of copyright or passing off of title or slogan;
3. unfair competition, piracy, unauthorised appropriation of advertising ideas contrary to an implied contract;
4. invasion of privacy;

committed or alleged to have been committed during the period of insurance in any advertisement, publicity article, broadcast or telecast and caused by or arising out of your advertising activities.

employment practices means any wrongful or unfair dismissal, denial of natural justice, defamation, misleading representation or advertising, sexual harassment or discrimination in respect of employment by you.

geographical limit means:

1. anywhere in Australia and its external territories;
2. elsewhere in the world, but only:
 - overseas business visits by you and any of your directors or employees but not where they perform or supervise manual work;
 - to any part of the world to which your products are exported except products you know have been exported to the United States of America or Canada or any country, territory or protectorate where the laws of these countries are applied.

incidental contracts means:

1. any written rental agreement or lease of real property which does not impose on you;
 - an obligation to insure such property, or
 - any liability regardless of fault;
2. any written contract with any authority or entity responsible for the supply of electricity, fuel, gas, natural gas, air, steam, water, sewerage reticulation control systems, waste disposal facilities, telephone and communication services or other essential services, except those contracts in connection with work done for such authorities or entities;
3. any written contract with any railway authority for the loading, unloading and/or transport of products, including contracts relating to the operation of railway sidings;
4. those contracts designated on the Insurance Certificate.

internet operations includes, but is not limited to the following:

1. use of electronic mail systems by you or your employees, including part-time and temporary staff, and others acting on your behalf;
2. access through your network to the world wide web or a public internet site by you or your employees, including part-time and temporary staff, and others acting on your behalf;
3. access to your intranet (meaning internal company information and computing resources) which is made available through the world wide web for your customers or others outside your organisation; and
4. the operation and maintenance of your website.

limit of liability means the limit of liability shown on your Insurance Certificate.

loading or unloading means the single action of transferring the weight of the goods.

medical persons means legally qualified medical practitioners, legally qualified nurses, dentists and first aid attendants.

occurrence means an event which results in personal injury, property damage or advertising injury, neither expected nor intended from your standpoint. All personal injury or property damage arising out of continuous or repeated exposure to substantially the same general conditions will be construed as arising out of one occurrence. All advertising injury arising out of the same injurious material or act (regardless of the frequency or repetition thereof, or the number of claimants) will be deemed to be one occurrence.

personal injury means:

1. bodily injury (including death and illness), disability, shock, fright, mental anguish, mental injury;
2. wrongful entry, wrongful eviction, wrongful detention, false arrest, wrongful imprisonment or malicious prosecution;
3. a publication or utterance of a libel or slander or other defamatory or disparaging material;
4. assault not committed by you or at your direction unless the assault occurred while preventing personal injury or property damage.

property damage means:

1. physical damage to, loss or destruction of tangible property including any resulting loss of use of that property; or
2. loss of use of tangible property which has not been physically damaged, lost or destroyed, provided such loss of use is caused by an occurrence.

you/your has the same meaning as defined elsewhere in this policy and extended for this business liability section only to include:

1. every principal of yours, in respect of that principal's liability caused by the performance of work for that principal, but subject always to the extent of coverage and the limit of liability provided by this policy;
2. all existing subsidiary and/or controlled corporations (including subsidiaries thereof) of yours incorporated in Australia and/or any other organisations under your control within Australia and its external territories;

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3. all subsidiary and/or controlled corporations (including subsidiaries thereof) of yours and/or any other organisations under your control incorporated in the Commonwealth of Australia which are constituted or acquired by you after the commencement of the period of insurance;
 4. every subsidiary and/or controlled corporation and/or other organisation of yours which is divested during the period of insurance, but only in respect of claims made against such divested subsidiary, related or controlled corporation or organisation caused by or arising out of events insured against by this policy, which occurred prior to the divestment;
 5. every office bearer or member of social and sporting clubs, canteen and welfare organisations and first aid, fire and ambulance services formed with your consent (but not an insured designated in this policy) in respect of claims arising from their duties connected with the activities of any such club, organisation or service. This insurance will not apply to personal injury to or property damage of any participants of any game, match or the like;
 6. each partner, joint venturer, co-venturer or joint lessees of yours but only:
 - with respect to liability incurred as the partnership, joint venturer, co-venture, joint lease; and
 - provided the partnership, joint venture, co-venture, joint lease has been notified to us within 30 days of formation and has been endorsed on the Insurance Certificate;
 7. any director or senior executive of yours in respect of private work undertaken by your employees for such director or senior executive.

you/your does not include the interest of any other person other than described above.

your products means any goods, products and property after they have ceased to be in your possession or under your control which are, or have been deemed to be, manufactured, grown, extracted, produced, processed, constructed, erected, installed, repaired, serviced, treated, labelled, handled, sold, supplied, re-supplied or distributed by you (including any packaging or container thereof other than a vehicle). Your products also include the design, formula, specification, directions, markings, instructions, advice or warnings given or omitted to be given in connection with such products and anything which, by law or otherwise, you are deemed to have manufactured in the course of the business including discontinued products.

2. What we cover

Liability

We will cover your legal liability to pay compensation for:

1. personal injury;
2. property damage to property that is neither owned by or leased or rented to you or not in your physical and legal control;
3. advertising injury;
which happens during the period of insurance and is caused by an occurrence in connection with your business within the geographical limit.

Limit of Liability

Our maximum liability in respect of any claim or any series of claims, involving general liability for personal injury, property damage or advertising liability, caused by or arising out of one occurrence will not exceed the limit of liability, other than the cover provided for:

1. the additional benefits for the defence of claims;
2. item 4 of the Additional benefit for 'Property in your physical and legal control';
3. the cover provided for 'Claims preparation expenses' in the 'General conditions that apply to every section of the policy'.

Our total aggregate liability during any one period of insurance for all claims arising out of your products will not exceed the limit of liability, other than the cover provided in additional benefits for the defence of claims.

3. Additional benefits

With respect to the indemnity provided by this policy, we will:

1. pay all expenses incurred by us, all costs taxed against you in any such suit, and all interest accruing after entry of judgment until we have paid, tendered or deposited in court such part of the judgment as does not exceed the limit of our liability;
2. reimburse you for all reasonable expenses, other than loss of earnings, incurred in connection with the defence of a claim or legal action with our consent;
3. pay reasonable expenses incurred by you for first aid to others at the time of personal injury caused by an occurrence (other than medical expenses prohibited by Section 126 of the Health Insurance Act 1973);
4. pay reasonable expenses incurred by you for temporary protection of damaged, or undamaged property of any person or party, including temporary repairs, shoring up or underpinning thereof.

Provided that:

1. we will not be obliged to pay any claim or judgment or to defend any claim or legal action after the limit of liability has been exhausted by payment of judgments or settlements;
2. if a payment exceeding the limit of liability has to be made to dispose of a claim, our liability to pay any costs, expenses and interest will be limited to that proportion of those costs, expenses and interest as the limit of liability bears to the amount paid to dispose of the claim.

The amount incurred, except for payments in settlement of claims, suits and all costs awarded against you, are payable by us in addition to the limit of liability, provided that the matter is subject to the laws applicable outside the United States of America or Canada. Our maximum limit of liability for personal injury, property damage and legal costs for matters involving the United States of America or Canada or any country, territory or protectorate where the laws of these countries are applied, will be the limit of liability shown on your Insurance Certificate.

Property in your physical and legal control

We will cover your liability for damage to:

1. premises (including landlords fixtures and fittings) which are leased or rented to you;
2. premises (or their contents) not owned, leased or rented by you but temporarily occupied by you for work therein;
3. vehicles (not belonging to or used by or on your behalf) in your physical or legal control where the property damage occurs while the vehicles are in a car park owned or operated by you, unless you own or operate the car park for reward where it's annual gross income exceeds \$100,000 or it is operated as the principal part of your business;
4. property (excluding any vehicle which is registered or which is required under any legislation to be registered) in your physical or legal care, custody or control. Our maximum indemnity for any one occurrence is limited to \$250,000 or the amount shown on your Insurance Certificate.
5. the personal property, tools and effects of any of your directors, partners, proprietors, officers, executives or employees, or the clothing and personal effects of any of your visitors.

Release

Where you are required by contractual agreement to release any:

- government, public or local authority or other statutory authority;

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- any landlord where the terms of the lease or hiring include a disclaimer in favour of the landlord;

from liability or loss, destruction or damage or legal liability insured against under this policy, such release is allowed without prejudice to this insurance.

Notwithstanding the 'General Condition' regarding 'Subrogation rights' of this policy, we agree to waive all our rights of subrogation against any such authority in the event of any occurrence for which a claim for indemnity may be made under this policy.

Vehicles used as a tool of trade

Notwithstanding the exclusion headed 'Vehicles', we will cover:

1. property damage or personal injury caused by or arising from the operation or use of any vehicle which is designed primarily for lifting, lowering, loading, unloading, digging or drilling, whilst being operated or used by you or on your behalf within the confines of your premises;
2. property damage or personal injury caused by the use of any tool or plant forming part of, or attached to, or used in connection with any vehicle (excluding whilst the vehicle is travelling, transporting or carting goods) at any work site.

Vehicles unloading or loading goods

Notwithstanding the exclusion headed 'Vehicles', we will cover property damage or personal injury arising out of and during the loading or unloading of goods to or from any vehicle.

Cross liability – Joint insured

Where you comprise of more than one party, each of the parties will be considered as a separate and distinct unit and the words you and your will be considered as applying to each party in the same manner as if a separate policy had been issued to each of them provided that nothing in this clause will result in an increase of our limit of liability in respect of any occurrence.

4. Special conditions

(In addition to the 'General conditions that apply to every section of the policy').

Defence of claims

We will defend in your name and on your behalf any claim or legal action against you seeking damages on account of personal injury or property damage not otherwise excluded by this section, even if the action is groundless, false or fraudulent.

We will have full discretion in the conduct of any proceeding in connection with any claim. You will give such information and assistance that we may reasonably require in the prosecution, defence or settlement of any claim. We will investigate, negotiate and settle any claim or legal action as we see fit.

Notices

You must as soon as possible give to us notice in writing of:

1. every occurrence, claim, writ, summons, proceeding, impending prosecution, and inquest, together with all relevant information which may result in a claim under this policy, whether or not you believe any claim amount might fall below the applicable excess;
2. every change that comes to your knowledge, which materially varies any of the facts or circumstances existing at the commencement of this policy.

Discharge of liabilities

We may at any time pay to you, in respect of all claims against you arising from an occurrence, the balance of the limit of liability or any smaller sum for which the claim or claims can be settled.

Upon payment of that amount, we will relinquish conduct or control of the matter and will have no further liability under the business liability section of this policy in connection with those claims except for costs, charges and expenses that are:

1. recoverable from you for all or part of the period prior to the date of such payment;
2. incurred by us;
3. incurred by you with our written consent prior to the date of such payment.

Reasonable care

You must:

1. exercise reasonable care that only competent employees are employed and you must take reasonable measures to maintain all premises and plant in sound condition;
2. take all reasonable precautions to prevent personal injury and property damage, and prevent the manufacture, sale or supply of defective products, and comply with and ensure that your employees, servants and agents comply with all statutory obligations, by-laws or regulations imposed by all relevant public authorities in relation to the:
 - safety of persons or property;
 - disposal of waste products;
 - handling, storage or use of flammable liquids or substances, gases or toxic chemicals;
3. at your own expense take reasonable action to trace, recall or modify any of your products containing any defect or deficiency of which you have the knowledge or have reason to suspect, including (but not limited to) any of your products subject to government or statutory ban.

5. What we do not cover

We do not cover liability in respect of:

1. Advertising injury

1. resulting from statements made at your direction with knowledge that such statements are false;
2. resulting from statements made prior to the commencement of the period of insurance;
3. resulting from failure of performance of contract however this exclusion shall not apply to claims for unauthorised appropriation of advertising ideas contrary to an implied contract;
4. resulting from any mistake in advertised price of products or services;

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5. resulting from failure of your products or services to conform with advertised performance, quality, fitness or durability;
 6. incurred by you if your principal occupation or business is advertising, broadcasting, publishing or telecasting.

2. Aircraft and watercraft

Claims arising out of the ownership, maintenance, operation or use by you of:

1. any aircraft;
2. any watercraft over 8 metres in length, other than:
 - watercraft used in operations carried out by any independent contractors for whose conduct you may be held liable for;
 - watercraft owned and operated by others and used by you for business entertainment.

3. Aircraft products

Your products that are aircraft component parts used for maintaining an aircraft in flight, or moving upon the ground, or used in the construction of an aircraft hull, or machinery which to your knowledge is incorporated in an aircraft.

4. Animal feed

Claims arising directly or indirectly out of the manufacture or processing of animal or stock feed.

5. Asbestos

Any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of asbestos in whatever form or quantity.

6. Child molestation

The molestation of or interference with a minor or minors by:

1. you or any person comprising you;
2. any of your employees;
3. any person performing any voluntary work or service for you or on your behalf.

Furthermore, we will not have a duty to defend any action, suit or proceedings brought against you (or any other person or body corporate who might otherwise, but for the provisions of this clause, be entitled to indemnity under this policy) which either directly or vicariously seeks compensation in respect of such molestation or interference as above or any personal injury resulting there from.

7. Computers, computer software and computer consulting

Property damage to computer data or programs and their storage media or any consequential loss arising directly or indirectly out of, or caused by, through, or in connection with the:

1. use of any computer hardware or software;
2. provision of computer hardware or software;
3. use of computer hardware or software belonging to any third party, whether authorised or unauthorised, including damage caused by any computer virus.

8. Contractual liability

Any obligation assumed by you under any agreement except to the extent that:

1. the liability would have been implied by law;
2. the liability arises from a provision in a contract for lease of real or personal property other than a provision which obliges you to effect insurance or provide indemnity in respect of the subject matter of that contract;
3. the liability is assumed by you under a warranty of fitness or quality as regards to your products;
4. liability is assumed under an incidental contract;
5. the obligation is assumed under those agreements shown on your Insurance Certificate.

9. Defect in design

Any defective or deficient design or error in specification or formula in any of your products as part of your business activities provided by you for a fee.

10. Employment liability

Liability imposed:

1. by any workers compensation law;
2. by the provision of any industrial award, agreement or determination or any contract of employment or workplace agreement where such liability would not have been imposed in the absence of such industrial award, agreement or determination or contract of employment or workplace agreement;
3. for and in respect of employment practices.

For the purpose of this exclusion, voluntary workers, secondees and work experience students will not be considered to be your employees.

11. Explosive substances

Personal injury or property damage directly or indirectly caused by or arising from mining, processing, manufacture, distillation, fractation, treatment, disposal, controlled removal of, decontamination, distribution and/or storage of:

1. explosives;
2. petroleum, inflammable gasses or spirits (other than as part of a garage/petrol service station business).

12. Faulty workmanship

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

13. Fines, penalties and punitive damages

1. Fines, penalties, or cost of actions imposed on you due to the application of government legislation or order of a court of law;
2. Punitive, exemplary, or aggravated damages;
3. Any additional damages resulting from multiplication of compensatory damages against you.

14. Information technology hazards

1. any liability arising out of your internet operations; or
2. property damage to computer data or programs and their storage media arising directly or indirectly out of or caused by, through or in connection with:
 - the use of any computer hardware or software;
 - the provision of computer or telecommunication services by you or on your behalf;
 - the use of computer hardware or software belonging to any third party, whether authorised or unauthorised including damage caused by any computer virus.

This exclusion does not apply to:

1. personal injury, property damage or advertising injury arising out of any material which is already in print by the manufacturer in support of any of its products, including but not limited to product use and safety instructions or warnings, and which is also reproduced on its site; or
2. liability which arises irrespective of the involvement of your internet operations.

15. Liquidated damages

Liquidated damages arising out of liquidated damages clauses, penalty clauses or performance warranties except to the extent that such liability would have attached in the absence of such clauses or warranties

16. Loss of use

Loss of use of tangible property which has not been physically damaged or lost or destroyed resulting from:

1. a delay in, or lack of, performance, by you or on your behalf, of any contract or agreement;
2. the failure of your products to meet your warranties or representations as to performance, fitness, quality or durability (but this exclusion will not apply to liability for physical damage or destruction caused to other property by your products)

17. Pollution

1. Personal injury or property damage caused by or arising out of the discharge, dispersal, release or escape of pollutants into or upon land, the atmosphere, or any water course or body of water;
2. Costs and expenses incurred in the prevention, removing, nullifying or clean-up of such contamination or pollution.

The above exclusions do not apply to pollution which is consequent upon a sudden, identifiable, unexpected, unintended happening taking place in its entirety at a specific time and place which results in personal injury and/or property damage, and where the pollution occurs outside the United States of America or Canada or any country, territory or protectorate where the laws of these countries are applied. Our liability in respect of any one discharge, dispersal, release, escape and for all discharges, dispersals, releases and escape of pollutants during any one period of insurance will not exceed the limit of liability.

18. Product defect

Property damage to your products, if the damage is attributed to any defect in them or to their harmful nature or unsuitability.

19. Product recall

Claims arising out of or resulting from the withdrawal, inspection, repair, replacement or loss of use of your products if they are withdrawn from the market or from use, because of any known or suspected defect or deficiency in them.

20. Professional liability

The rendering of, or failure to render professional advice or service by you or any related error or omission, but this exclusion will not apply to:

1. the rendering of or the failure to render professional medical advice by medical persons employed by you to provide first aid services at your location, but not when these medical persons have insurance for your professional liabilities;
2. personal injury or property damage arising there from, provided that the professional advice or service is not given for a fee.

21. Renovations, erection, alterations, construction, additions and demolition

Any claims arising directly or indirectly out of or in any way connected with the renovation, erection, alteration, construction or additions and demolition to any building at the location shown on your Insurance Certificate, by you or on your behalf when the total cost of the work exceeds \$500,000.

22. Treatment or dispensing

Except as provided for under the exclusion for 'Professional liability':

1. the treatment of humans or animals for any physical or mental deficiency, injury, illness or disease;
2. the dispensing of drugs, medicines, pharmaceuticals, supplies or artificial aids.

23. Vehicles

Personal injury or property damage arising out of the ownership, possession, operation, maintenance or use by you of any vehicle:

1. which is registered or which is required under any legislation to be registered;
2. in respect of which compulsory liability insurance or statutory indemnity is required by virtue of any legislation (whether or not that insurance is effected);

other than the property described in the additional benefits 'Vehicles used as a tool of trade' and 'Vehicles unloading or loading goods'.

This exclusion will not apply to personal injury that arises out of an occurrence, which is partially or totally outside the indemnity afforded under any compulsory liability insurance or other legislation relating to vehicles, provided that the reason the occurrence is outside the indemnity afforded by the compulsory liability insurance or statutory indemnity does not involve a breach by you of legislation relating to vehicles.

24. Vibration or weakening of support

Damage resulting from vibration or the removal or weakening of support to any land or fixed property.

25. Welding and hot work activities

Claims caused by or arising out of the use of an angle grinder, arc or flame cutting, flame heating, arc or gas welding or any similar operation in which welding equipment is used, unless that activity is conducted in strict compliance with the standard A S 1674.1 -1990 (Safety in welding and allied processes) Issued by standards Australia.

GENERAL EXCLUSIONS THAT APPLY TO EVERY SECTION OF THE POLICY

You are not covered for any loss, damage or liability caused by or resulting from, or the costs incurred from or of:

electronic data

Electronic data or the cost of rewriting records as a result of loss of electronic data unless directly caused by an event insured under this policy (other than accidental damage).

computer virus

An executable program or computer code segment that is self-replicating, requires a host program or executable disc segment in which it can be contained and which destroys or alters the host program or other computer code or data causing undesired program or computer system operation.

Intentional damage

Damage or liability intentionally caused or incurred by:

1. you;
2. a member of your family;
3. a person acting with your express or implied consent or that of a member of your family.

unoccupancy

Loss, damage or liability during any period in excess of 90 consecutive days during which the business locations are left unoccupied, unless with our written consent. To have been occupied, the business locations must have been used for business purposes for at least two consecutive days.

War, terrorism, nuclear radioactivity

1. war, invasion, acts of foreign enemies, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power;
2. any act(s) of terrorism;
3. ionising radiation, contamination by radioactivity from any nuclear weapons material, nuclear fuel or waste, or the combustion of nuclear fuel or waste where the combustion is a self-sustaining nuclear process.

This policy also excludes any loss, destruction, damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to, by, resulting from or arising out of or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to 1, 2 or 3 above.

GENERAL CONDITIONS THAT APPLY TO EVERY SECTION OF THE POLICY

Your obligations

You are required to:

1. take all reasonable precautions to avoid or minimize loss, damage or liability;
2. maintain all business premises, fittings, appliances and equipment in sound condition;
3. maintain and look after the property or buildings belonging to other people and organisations that are used by you in accordance with your agreement with them;
4. obtain certificates of inspection for all equipment required by any statute or regulation to be so certified;
5. use and store all hazardous, flammable, gaseous or toxic materials as required by law; and
6. obtain the location of underground services from the owners of those services if your operations include digging below ground at sites away from your business location.

If you do not comply with your obligations we may refuse to pay part of, or all of, your claim.

Accountancy records and rights of inspection

You must provide to us all books of account, business books and other documents as may be required by us to investigate or verify any claim. We will be permitted but not obligated to inspect your property and operations at any time.

Neither our right to inspect nor our failure to inspect, nor the making of any inspection, nor any report of an inspection may be used by you or others in any action or proceeding involving us.

We may also examine and audit your books and records at any time during the period of insurance and within three years thereafter. Our examination and audit will be restricted to matters which in our opinion are relevant to the policy. We may refuse to pay, or reduce the amount of, a claim if you do not provide us details or allow access as we may reasonably request.

Adjustment of premium

If the first or renewal premium for the policy has wholly or partly been calculated on estimates furnished by you, then you must:

1. within 30 days after the expiry of each period of insurance provide to us such matters, particulars and information relevant to the policy as we may reasonably require. The premium for the period will then be adjusted and any difference will be paid by or allowed to you as the case may be, provided that the adjusted premium will not be less than any minimum premium shown on your Insurance Certificate and HCl will retain any fees relevant to any amount owed to you;
2. keep a record of all matters, particulars and information requested by us and you must on reasonable notice, allow us or our nominee to inspect and make copies of those records.

Alarm systems

If you have advised us that surveillance or protective equipment, burglar or fire alarm systems are used or installed at your location you must:

1. ensure that these are regularly tested and maintained in accordance with the manufacturer's recommendations;
2. take all reasonable precautions to ensure that these are operational outside normal business hours.

We may refuse to pay or may reduce the amount of a claim if you do not comply with this condition.

Alteration

Unless our written consent is obtained, we will not cover loss, damage or liability caused or contributed to by any alteration, after the commencement of this policy:

1. in the trade or manufacture carried on, or whereby the nature of the occupation or other circumstances affecting the building insured or containing the property insured is changed in such a way as to increase the risk of damage or the likelihood of liability losses;
2. whereby your interest ceases by will or operation of law;

-
3. whereby the business is wound up or carried on by an insolvency practitioner or permanently discontinued.

Automatic reinstatement of sum insured

If we pay a claim under the General Property section of this policy and your sum insured has been reduced due to payment of that claim by us, we will automatically reinstate your full sum insured provided:

1. you have not (in writing) requested otherwise;
2. we have not (in writing) advised otherwise;
3. you agree to pay any additional premium we may require to reinstate the sum insured.

Business ceases to trade or is in liquidation

If your business is deregistered, placed into liquidation or administration, a receiver is appointed, or the business is wound up or is permanently discontinued, then unless otherwise agreed by us in writing, all cover under this policy ceases from the time your interest is transferred or your business ceases to trade.

Claim preparation expenses

We will pay for costs necessarily and reasonably incurred by you for the preparation of a claim for which we agree to indemnify you under this policy. The most we will pay is \$25,000 in total unless a higher specific amount is included in a particular section of the policy. You must obtain our written approval before you incur these claims preparation costs. This benefit is in addition to any other limit of indemnity.

Cancellation by you

You may cancel the policy at any time by notification in writing.

Where the insured involves more than one party, we will only cancel the policy when a written agreement to cancel the policy has been received from all persons named as the insured.

Cancellation by us

We may cancel the policy in certain circumstances provided by the Insurance Contracts Act 1984 or any subsequent legislation by giving you three business days notice in writing.

Some examples are:

1. if you do not pay the premium;
2. if you do not comply with your duty of disclosure;
3. if you make a misrepresentation to us before the issue of this policy;
4. if you do not comply with a condition or provision of this policy;
5. if you make a fraudulent claim under the policy or some other policy (whether with us or some other insurer);
6. if you do not comply with your duty of utmost good faith.

Notice of cancellation can be delivered personally or posted to your address shown on the current Insurance Certificate. It will be effective at the time shown on the notice of cancellation or when you have taken out cover with another insurer, whichever occurs first.

Premium refunds

In the event of an adjustment or cancellation we will allow to you or refund the unused portion of your paid premium less any fee and any commissions, taxes and charges that we are unable to recover.

Changes that may affect your policy

If there is any change or alteration to the information you have advised us of, you are to notify us in writing as soon as practicable. Any change or alteration you propose to make only becomes effective when we agree to the changes and you agree to pay any additional premium. You must advise us of any changes before you renew your policy. For example, we require information about:

1. change of business activity;
2. criminal convictions of you or persons who normally work with you;
3. any deterioration in the condition of property;
4. alteration to the building which affects its safety or structural integrity.

This is a requirement of 'Your Duty of Disclosure'. If you do not fulfil your duty of disclosure we may refuse to pay part or all of a claim.

Discharge of liabilities

At any time we can pay to you or on your behalf, for all claims made against you for any one occurrence:

1. the limit of liability of the section under which the claim is made, after deducting any amounts already paid;
2. any lower sum for which the claim may be settled.

If we do so:

1. the conduct of any outstanding claim(s) will become your responsibility;
2. we will not be liable to pay any further amounts other than costs, charges, or expenses that we agreed to pay before we made the payment referred to above.

Fraudulent claims

If you make a claim under this policy which you know is fraudulent in part or in its entirety, we will both deny that claim and may have rights to void the policy in its entirety.

Goods and services tax (GST)

If you are not entitled to an input tax credit on any part of the premium you paid for this policy, the sums insured, sub limits or limits of liability stated in this policy are inclusive of GST.

If you are entitled to an input tax credit on any part of the premium you paid for this policy, the sums insured, sub limits or limits of liability stated in the policy are exclusive of GST to the extent of your input tax credit entitlement.

In situations where we make a cash payment to you for the purchase of goods or services for which you are entitled to claim an input tax credit, we will only pay you an amount that is equal to your net cost i.e. your cost after claiming input tax credits.

The policy does not cover any amount of GST, or any fine, penalty or charge that you are liable for because of a failure to disclose or a misstatement made by you, in relation to your entitlement to an input tax credit for the premium. You must tell us if you become aware that the extent of your entitlement to an input tax credit for your premium disclosed to us is incorrect.

Jurisdiction

All disputes arising out of or under this policy will be subject to determination by any court of competent jurisdiction within Australia according to the law applicable to the jurisdiction.

Limits and excess

We will not pay more than the sum insured in respect of any claim other than those benefits that are identified as payable in addition to the sum insured. You must pay the amount of any excess shown on your Insurance Certificate for each claim you make. If more than one excess can be applied to one occurrence, then you will only need to pay the highest excess.

Other insurances

At the time you make a claim, you must give us written notice of any other insurance covering the property or legal liability which may also apply to your claim. When a loss paid under this policy is also recoverable under another policy and we have paid more than our rateable share, we reserve the right to seek contribution from the other insurer or insurers.

Pairs, sets or collections

If any article is part of any pair, set or collection and is lost or damaged, we will not pay for more than the actual value of the lost or damaged article.

Premium funding

Any refund due for the pro rata portion of the premium applicable to the unexpired period of insurance will be paid to any premium funding company who holds a legal right over your policy by virtue of a notice of assignment and/or an irrevocable power of attorney.

Progress payments

We will not unreasonably withhold progress payments. We will pay progress payments on claims at intervals to be agreed by us following receipt of an interim report by our loss adjuster or representative.

Single occurrence

We will not pay for loss or damage to property covered by the policy under more than one section of the policy in respect of the same item and occurrence unless the sum insured has been paid out in full under one section and you have not been fully covered for the loss or damage.

Subrogation rights

We have the right to take over and conduct in your name the defence or settlement of any claim or to prosecute in your name any claim for damages, indemnity, contribution or otherwise. We have full discretion in the conduct of any proceedings and in the settlement of any claim. You must give us all such information and assistance as we may reasonably require in defending you or prosecuting in your name.

CLAIMS

What you must do after loss, damage or an accident

1. take all reasonable steps to prevent further loss, damage or liability;
2. notify the Police immediately if any of your property is lost, stolen, maliciously or intentionally damaged;
3. advise us of the claim immediately and submit a claim form as soon as possible. If you or someone acting on your behalf does not complete and submit a claim form within 30 days of an accident we may reduce the amount we have to pay if the delay causes increased costs or prevents us investigating the claim;
4. provide us with the proof that we require regarding stolen or damaged property;
5. help us manage the claim, which may include us inspecting your property or location or asking you questions, or you providing written statements to us under oath;
6. keep items that have been damaged and allow us to inspect them or assess repair costs;
7. allow us to take possession of damaged property that is the subject of a claim;
8. forward any invoices, bills, demands letters, summons or notices you receive from other persons or organisations involved in the incident to us immediately. If you do not, we may reduce the amount we will pay if the delay causes increased costs or prevents us investigating the circumstances of the claim.

What you must not do after a loss, damage or an accident

1. admit guilt, fault or liability (except where required by law);
2. offer or negotiate to pay a claim;
3. approve any repairs or arrange replacements (other than emergency repairs necessary to minimise or prevent further loss or damage);
4. dispose of any damaged property.

WORDS WITH SPECIAL MEANING

Where the words listed below are used in this document, they have the following meaning. If a word is defined in a section of the policy, the definition contained in that section applies for that section only.

act(s) of terrorism includes any act which may or may not involve the use of, or threat of, force or violence where the purpose of the act is to further a political, religious, ideological aim or to intimidate or influence a government (whether lawfully constituted or not) or any section of the public.

aircraft means any vessel, craft or thing, other than model aircraft, made or intended to fly or move in or through the atmosphere or space.

Australia means Australia, its dependencies and territories.

business means the trade or occupation described on your Insurance Certificate carried on at and from the location and all ancillary or incidental occupations and no others.

business hours means your office and working hours (including overtime) during which you or your employees are at the location for the purpose of your business.

computer virus means an executable program or computer code segment that is self-replicating, requires a host program or executable segment in which it can be contained, and which destroys or alters the host program or other computer code or data, causing undesired program or computer system operation.

electronic data means software programs and information stored on magnetic tapes, magnetic hard or floppy disks and compact disks or any other electronic data storage medium.

excess means the amount (which can be either a monetary or time amount) shown on your Insurance Certificate that is payable by you on each and every claim arising out of one event or occurrence under that policy section. If more than one excess is payable under this policy for any claim or series of claims arising from the one event, the excesses will not be aggregated and the highest single level of excess only will apply.

flood means the covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:

1. a lake (whether or not it has been altered or modified);
2. a river (whether or not it has been altered or modified);
3. a creek (whether or not it has been altered or modified);
4. another natural watercourse (whether or not it has been altered or modified);
5. a reservoir;
6. a canal;
7. a dam.

Insurance Certificate means the current insurance certificate which has been numbered and issued by or on behalf of us.

location/s means the place(s) listed on your Insurance Certificate.

machinery means all plant and machinery which is;

1. permanently fixed at the location;
2. mechanical, electrical and electronic tools and equipment;
3. accessories, equipment and spare parts used with machinery.

Machinery does not include vehicles or machinery towed by or attached to vehicles other than those used for lifting and carrying materials at the location.

market value means the retail value of items of a similar type, age and condition, with adjustment for its special features, if any. Used price guides and any other information may be used by us to assist in determining market value.

period of insurance means the duration of this policy for the period shown on your current Insurance Certificate, or any renewal period for which the appropriate premiums are paid in each case. Unless otherwise stated the period of insurance commences and ends at 4pm on the days stated as the period of insurance on the Insurance Certificate.

policy means this policy together with the Insurance Certificate and any applicable endorsements.

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

safe or strongroom means a container or structure which has been specifically designed for the safe storage of money or valuables and is designed to protect the contents against fire and to resist unauthorised opening by hand-held or power operated tools. Safe includes Automatic Teller machines (ATM's).

tsunami means a sea wave caused by a disturbance of the ocean floor or by seismic disturbance.

vehicle means any type of machine on wheels or self-laid tracks made or intended to be propelled by other than manual or animal power and any trailer or other attachment made or intended to be drawn by any such machine.

water includes snow, sleet or hail.

watercraft means any vessel, craft or thing made or intended to float on or in or travel on or through or under water, or any vessel, craft or device intended to travel on the ground or water or through the water on a cushion of air provided by a downward blast of air.

we, us or our means The Hollard Insurance Company Pty Ltd (Hollard) (ABN 78 090 584 473) (AFSL 241436) and/or Hollard Commercial Insurance Pty Ltd (HCi) (ABN 86 603 039 023) (AFSL 474540) as the context requires.

you or your means any person or entity (including their social clubs) shown on your Insurance Certificate as the insured.

Hollard Commercial Insurance Pty Ltd
ABN 86 603 039 023, AFSL 474540

Insured by The Hollard Insurance Company Pty Ltd
ABN 78 090 584 473 AFSL 241436

Level 12, 465 Victoria Avenue, Chatswood NSW 2067
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