

Driveline Plant & Machinery Package

Product Disclosure Statement
and Policy Document





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Introduction

Welcome and thank You for choosing the GT Insurance Driveline Plant and Machinery Package Insurance Policy.

The Insurer

Allianz Australia Insurance Limited
ABN 15 000 122 850 AFS Licence No. 234708.

The Underwriting Agency

Global Transport & Automotive Insurance Solutions Pty Ltd (GT Insurance) ABN 93 069 048 255 AFS Licence No. 240714 of Level 3, Suite 3.01, 213 Miller Street, North Sydney, NSW 2060 is an underwriting agency which specialises in arranging insurance in respect of Motor Vehicles and Mobile Plant and related insurances. GT Insurance acts as the agent of Allianz to market, solicit, offer, arrange and administer the insurance.

GT Insurance has a binding authority to issue, vary and cancel contracts of insurance and to deal with or settle claims on behalf of Allianz. If You need information about this insurance in the first instance, contact GT Insurance.

Accident Assist

GT Insurance offers emergency response, Accident coordination and support for You and Your Motor Vehicles and Mobile Plant 24 hours a day, 365 days a year.

GT Accident Assist can be contacted at their 24 hour call centre telephone number 1800 783 251 and offers the following benefits to You:

- after Accident claims reporting service;
- general information relating to repairers and operating hours; to assist You in selecting a repairer;
- co-ordination of alternative transport and accommodation;
- co-ordination of after Accident counselling services if required;
- urgent message relay service.

GT Accident Assist is supplied by Car-Trek Australia Pty Ltd trading as ISS First Response, ABN 60 506 986 136 of 10-14 Tower Court, Noble Park, Melbourne VIC 3174.

About the insurance

This document is also a Product Disclosure Statement (PDS). A PDS is a document required by the Corporations Act 2001 and contains information designed to help You decide whether to buy it.

This is an important document. You should read it carefully before making a decision to purchase this insurance.

It will help You to:

- decide whether the insurance will meet Your needs; and
- compare it with other products You may be considering.

The Policy provides a number of covers which may or may not be provided to You as a retail client under the Corporations Act 2001 (Cth) depending on Your circumstances. Only the parts of the Policy document relevant to cover provided to You as a retail client and any other documents (for example schedules, Supplementary PDSs and/or endorsements) which We tell You are included before You enter into the Policy, make up the PDS for the purposes of the Act.

Please note that any recommendation or opinion in this document is of a general nature only and does not take into account Your objectives, financial situation or needs.

You need to decide if this insurance is right for You and You should read all of the documents that make up the Policy to ensure You have the cover You need.

Preparation Date: 01/12/2023.

Updating the PDS

We may need to update this PDS from time to time if certain changes occur where required and permitted by law. We will issue You with a new PDS or a supplementary PDS or other compliant document to update the relevant information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy the insurance, We may issue You with notice of this information in other forms or keep an internal record of such changes (You can get a paper copy free of charge by contacting Us using Our details on the back cover of this PDS). Other documents (for example schedules, Supplementary PDSs and/or endorsements) may form part of Our PDS and Policy. If they do We will tell You before You enter into the Policy in the relevant document. We may also issue other documents forming part of Our PDS and Policy where required or permitted by law.

Other information

If this insurance has been issued through an insurance intermediary

If Your Policy has been issued through Our agent, or a broker who is acting under a binder arrangement with Us, then they are acting as Our agent and not as Your agent.

If Your Policy has been issued by a broker, other than a broker acting under a binder agreement with Us, then the broker is acting as Your agent.

Where the Policy has been arranged through an intermediary a commission is payable by Us to them for arranging the insurance. You can ask them or Us for more information.

Phone for assistance

If You need to clarify any of the information contained in the Policy document or You have any other queries regarding Your insurance Policy, please use the contact details below.

For all enquiries, please contact:

GT Insurance
Level 3, Suite 3.01, 213 Miller Street,
North Sydney, NSW 2060
P.O. Box 1937,
North Sydney NSW 2059
Website: www.gtins.com.au
Phone: (02) 9966 8820
Fax: (02) 9966 8840

Summary of the available covers

You can apply to buy any of the following – You choose what You need.

Not everything is covered by the Policy. The following is a limited summary only and as such does not form part of the terms of Your insurance. All cover is subject to the applicable Sum Insured, Limit of Indemnity, other limits and sub-limits and terms, conditions, exclusions and limitations that are not listed in the summary. You should read the Policy carefully to fully understand the extent of cover provided.

The cover provided, and any options selected, will be shown as insured in Your Schedule.

Section 1 – Commercial Motor

This covers:

- specified loss or Damage to Your Insured Item(s) (including cover Damage caused by Flood) that occurs during the Period of Insurance and within the Territorial Limits; and
- Your legal liability to pay for Damage or injury (other than injury covered by a CTP Policy) caused by an Accident that occurs during the Period of Insurance and within the Territorial Limits.

Where Your Schedule shows a monetary amount, CMV (current market value) or Market Value against the Sum Insured or T.S.I. (total sum insured) then Your Insured Item is covered for Section 1 Part A and Part B, where applicable.

Where Your Schedule shows TPO (third party only) against the Sum Insured or T.S.I. (total sum insured) then Your Insured Item is covered for Section 1 Part B only, where applicable.

It also provides a number of additional benefits. Optional Benefits and Optional Conditions are also available.

Section 2 – Business interruption (Downtime)

This covers Your loss of income whilst Your Motor Vehicle is not operational during the Period of Insurance as a result of a claim having been accepted under Section 1 Part A of the Policy.

Section 3 – Public and Products liability

This provides cover in respect of amounts You become liable to pay as Compensation for Personal Injury, Property Damage or Advertising Injury that happens during the Period of Insurance as a result of an Occurrence within the Territorial Limits and in connection with Your Business or Your Products. An Optional Benefit is also available.

This Section does not cover the entire spectrum of legal liabilities which You may be compelled to bear under the terms which are frequently inserted into commercial business contracts by principals, lessors or other parties.

Section 4 – Carriers Transit

This Section provides cover for loss or Damage to Goods (including Livestock) carried by You whilst in Transit during the Period of Insurance and whilst Your Conveying Vehicle is operating within the Territorial Limits. The following cover options are available under this cover section:

1. Part A – Carriers Legal Liability; or
2. Part B – Accidental Damage; or
3. Part C – Specified Perils.

It also provides a number of additional benefits and an Optional Benefit is also available.

No Workers Compensation cover

This Policy does not include workers compensation cover. Such cover is compulsory for employers and You should arrange separate insurance.

Applying for cover

When You apply by completing Our application process You need to provide the information We require to determine whether to issue a Policy and if so, on what terms, including (to the extent they are optional):

- the covers and benefits You want (including the property You wish to cover);
- the limits You want;
- whether You want any third parties to be noted as having an interest;
- the Excess(es) that You want to contribute for certain claims;
- whether any standard terms need to be varied (this may be by way of an endorsement).

Where We agree to issue a Policy, cover is provided on the basis:

- that You have paid or agreed to pay Us the premium for the cover provided;
- of the verbal and/or written information provided by You which must have been given in accordance with Your Duty of Disclosure.

If You fail to comply with Your Duty of Disclosure, We may be entitled to reduce Our liability under the Policy in respect of a claim to the extent Our interests are prejudiced by Your failure to comply with the Duty of Disclosure and/or We may cancel the Policy. If You have told Us something which is fraudulent, We also have the option of voiding the Policy (i.e. treating it as if it never existed).

Your Duty of Disclosure and the consequences of non-disclosure, are provided under the heading Your Duty of Disclosure.

Our contract with You

Where We agree to enter into a Policy with the Insured it is a contract of insurance between Us and the Insured.

The Policy consists of:

- this Product Disclosure Statement (PDS) which sets out the standard terms of Your cover and its limitations;
- any applicable Supplementary PDS (SPDS) We issue that varies it;
- the current Schedule issued by Us. The Schedule is a separate document which shows the insurance details relevant to You. It may include additional terms, conditions and exclusions relevant to You that amend the standard terms of this document. Only those cover sections specified as covered in Your Schedule are insured; and

- any other change to the terms of the Policy otherwise advised by Us in writing (such as an endorsement or Supplementary PDS) specified at or before entry into the contract or where required or permitted by law.

These written changes may vary or modify this document or Your Schedule.

These are all important documents and should be carefully read together and kept in a safe place for future reference.

We provide the cover specified in the Policy subject to its terms, conditions, exclusions and limitations. We reserve the right to change the terms of this insurance where permitted to do so by law.

Any new or replacement Schedule We may send the Insured, detailing changes to Your insurance or the Period of Insurance, will become the current Schedule, which You should carefully read and retain.

Premium

We calculate Your premium after taking a variety of factors into account:

- some factors are pre set e.g. costs of distribution and profit component. Other factors can affect the amount of Your premium. The higher Your risk profile is, the higher Your premium. Using Our experience We decide what factors increase Your risk profile and their impact on Your premium e.g. if You select higher limits, choose low Excess(es) or have a high claims experience, Your premium usually increases. If You select lower limits, choose higher Excess(es) or Your claims experience is low, Your premium usually reduces;
- Your premium also includes amounts that take into account Our obligation (actual or in some cases estimated) to pay any relevant compulsory Government charges, taxes or levies (e.g. Stamp Duty, GST and Emergency Services Levy) in relation to Your Policy. In some cases We are required to pay an estimated amount based on criteria set by the Government. In such cases, We allocate to the Policy Our estimate of the amount We will be required to pay. We may either over-recover or under-recover in any particular year and no adjustment is made to Your premium by reference to this.

We may take into account the under or over-recovery for Our calculation of the allocation to policies in future years. You can ask Us for more details if You wish.

Minimum premiums may apply. In some cases, discounts may apply if You meet certain criteria We set. Any discounts/entitlements only apply to the extent any minimum premium is not reached. If You are eligible for more than one, We also apply each of them in a predetermined order to the premium (excluding taxes and Government charges) as reduced by any prior applied discounts/entitlements. Any discounts will be applied to the base premium calculated prior to any taxes or Government charges being added.

Discounts are available at the time of printing and are subject to change.

GT Insurance may also charge You a Policy fee which will be shown in Your Schedule. The Policy fee is charged whenever We arrange the issue or renewal of, or for an endorsement to Your Policy.

When You apply for this insurance, You will be advised of the total premium amount payable, when it needs to be paid and how it can be paid. This amount will be set out in the Schedule, which will be sent to You after the Policy commencement date. If You fail to pay the premium We may cancel Your Policy to the extent permitted by law in accordance with the process set out in the "Cancellation Rights" section.

Your obligation to comply with the Policy terms and conditions

You are required to comply with the terms and conditions of the Policy. Please remember that if You do not comply with any term or condition, We may (to the extent permitted by law) reduce or refuse Your claim to the extent We are prejudiced by Your noncompliance and/or cancel Your Policy.

If more than one person is insured under the Policy, a failure or wrongful action by one of those persons may adversely affect the rights of any other person insured under the Policy.

How to make a claim

Details about how to make a claim are provided in this document under the Claims procedures section and the Specific Claims procedures for Section 1.

Cooling off period

A 14 day cooling off period applies to this insurance. If you decide you do not want this policy, you can cancel it up to 14 days from:

- the date we issue a new policy to you, or
- the start date of a renewed policy.

We will refund your premium in full, as long as you:

- haven't made a claim, or
- do not need to make a claim.

We may deduct government taxes or duties from your refund.

Cancellation rights under the Policy

How You may cancel the Policy

The Insured may cancel the Policy at any time by telling Us in writing that they want to cancel it. The Insured can do this by giving the notice to Your broker or Us.

Where there is more than one contracting Insured We will only cancel the Policy when a written agreement to cancel the Policy is received from all contracting Insureds named as the Insured or from a person authorised to act as agent of all such persons.

How We may cancel the Policy

We have the right to cancel the Policy where permitted by and in accordance with law.

For example, We may cancel:

- if You failed to comply with Your Duty of Disclosure;
- where You have made a misrepresentation to Us during negotiations prior to the issue of the Policy;
- where You have failed to comply with a provision of the Policy, including the term relating to payment of premium; or
- where You have made a fraudulent claim under the Policy or under some other contract of insurance that provides cover during the same period of time that the Policy covers You,

and We may do so by giving You at least three business days notice in writing of the date from which the Policy will be cancelled.

The notification may be delivered personally, emailed or posted to You at the address (including an email address) last notified to Us or delivered to Your intermediary.

If You or We cancel the Policy We will determine the amount of any premium that is refundable to You. In determining the premium refund amount, We may deduct:

- a pro rata proportion of the premium for time on risk; and
- any government taxes or duties We cannot recover.

If the Policy is cancelled from an effective date which is after the commencement date then no part of the Policy fee charged by GT insurance will be refunded.

In the event that You have made a claim under the Policy and We have agreed to pay You the full Sum Insured, Market Value or Agreed Value, whichever is applicable, for the property insured no return of premium will be made.

Premium funders

If the premium has been funded by a premium funding company which holds a legal right over the Policy by virtue of a notice of assignment and/or irrevocable power of attorney, and the premium funding company requests cancellation of the Policy, a refund will be made to the premium funding company of the proportionate part of the premium applicable to the unexpired Period of Insurance.

Your Duty of Disclosure

Before You enter into a contract of insurance with Us, You have a Duty, under the Insurance Contracts Act 1984, to disclose to Us every matter that You know, or could reasonably be expected to know, is relevant to Our decision whether to accept the risk of the insurance and, if so, on what terms.

You have the same Duty to disclose those matters to Us before You renew, extend, vary or reinstate the contract.

This Duty of Disclosure applies until the contract is entered into (or renewed, extended, varied or reinstated as applicable).

Your Duty however does not require disclosure of any matter:

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

Non-disclosure

If You fail to comply with Your Duty of Disclosure, We may be entitled to reduce Our liability under the contract in respect of a claim, cancel the contract or both.

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

Privacy notice

We give priority to protecting the privacy of Your personal information. We do this by handling personal information in a responsible manner and in accordance with the Privacy Act 1988 (Cth). In this Privacy Notice, 'We', 'Our', 'Us' means Global Transport & Automotive Insurance Solutions Pty Ltd and Allianz Australia Insurance Limited.

How We collect Your personal information

We usually collect Your personal information from You or Your agents. We may also collect it from Our agents and service providers; other insurers and insurance reference bureaus; people who are involved in a claim or assist Us in investigating or processing claims, including third parties claiming under Your Policy, witnesses and medical practitioners; third parties who may be arranging insurance cover for a group that You are a part of; law enforcement, dispute resolution, statutory and regulatory bodies; marketing lists and industry databases; and publicly available sources.

Why We collect Your personal information

We collect Your personal information to enable Us to provide Our products and services, including to process and settle claims; make offers of Our products and services provided by Us, Our related companies, brokers, intermediaries, business partners and others that We have an association with that may interest You; and conduct market or customer research to determine those products or services that may suit You.

You can choose not to receive product or service offerings from Us (including product or service offerings from Us on behalf of Our brokers, intermediaries and/or Our business partners) or Our related companies by calling:

- GT Insurance on (02) 9966 8820, EST 8.45am-5pm, Monday to Friday or by writing to GT Insurance, PO Box 1937, North Sydney NSW 2059.

If You do not provide Your personal information We require, We may not be able to provide You with Our services, including settlement of claims.

Who We disclose Your personal information to

We may disclose Your personal information to others with whom We have business arrangements for the purposes listed in the paragraph above or to enable them to offer their products and services to You. These parties may include insurers, intermediaries, reinsurers, insurance reference bureaus, related companies, Our advisers, persons involved in claims, external claims data collectors and verifiers, parties that We have an insurance scheme in place with under which You purchased Your Policy (such as a financier or motor vehicle manufacturer and/or dealer). Disclosure may also be made to Government, law enforcement, dispute resolution, statutory or regulatory bodies, and industry databases or as required by law.

Disclosure overseas

Your personal information may be disclosed to other companies in the Allianz Group, business partners, reinsurers and service providers that may be located in Australia or overseas. The countries to which this information may be disclosed will vary from time to time, but may include Canada, Germany, New Zealand, United Kingdom, United States of America and other countries in which the Allianz Group has a presence or engages subcontractors. We regularly review the security of Our systems used for sending personal information overseas. Any information disclosed may only be used for the purposes of collection detailed above and system administration.

Access to Your personal information and complaints

You may ask for access to the personal information We hold about You and seek correction by calling:

- GT Insurance (02) 9966 8820
EST 8.45am-5pm, Monday to Friday, or by writing to Us at GT Insurance, PO Box 1937, North Sydney NSW 2059.

Our Privacy Policy contains details about how You may make a complaint about a breach of the privacy principles contained in the Privacy Act 1988 (Cth) and how We deal with complaints. Our Privacy Policy is available at www.gtins.com.au and www.allianz.com.au.

Telephone Call Recording

We may record incoming and/or outgoing telephone calls for training or verification purposes. Where We have recorded a telephone call, We can provide You with a copy at Your request, where it is reasonable to do so.

Your Consent

By providing Us with personal information You and any other person You provide personal information for, consent to these uses and disclosures until You tell Us otherwise. If You wish to withdraw Your consent, including for such things as receiving information on products and offers by Us or persons We have an association with, please contact Us.

General Insurance Code of Practice

The General Insurance Code of Practice was developed by the Insurance Council of Australia to further raise standards of practice and service across the insurance industry.

The Code Governance Committee (CGC) is an independent body that monitors and enforces insurers' compliance with the Code.

You can obtain more information on the Code of Practice and how it assists You by contacting Us.

For more information on the Code Governance Committee (CGC) go to <https://insurancecode.org.au/>

Product Disclosure Statement

The Policy provides a number of covers which may or may not be provided to You as a retail client under the Corporations Act 2001 (Cth) depending on Your circumstances. Only the parts of the Policy document relevant to cover provided to You as a retail client and any other documents which We tell You are included at the time of entering into the Policy or where required or permitted by law.

Further information and confirmation of transactions

If You require further information about this insurance or wish to confirm a transaction, please contact Us.

Complaints

If You are dissatisfied with Our service in any way, please contact Us and We will attempt to resolve the matter in accordance with Our Internal Dispute Resolution procedures. .

If You are not happy with Our response, You can refer Your complaint to AFCA subject to its terms of reference. AFCA provides a free and independent dispute resolution service for consumers who have general insurance disputes falling within its terms.

If We do not make a decision within the period that We tell You We will respond, You can also refer Your complaint to AFCA. We will tell You about this in writing and also the reasons for our delay.

AFCA's contact details are:

The Australian Financial Complaints Authority
Online: www.afca.org.au
Phone: 1800 931 678
Email: info@afca.org.au
Mail: GPO Box 3 Melbourne VIC 3001

For more information on how We handle complaints you can request a copy of Our procedures, using Our contact details on the back cover.

Renewal procedure

Before Your Policy expires, We will advise You whether We intend to offer renewal of Your Policy and if so on what terms.

This document also applies for any offer of renewal We may make, unless We tell You otherwise.

If We offer renewal, We will send You a notice advising the renewal terms and the amount payable to renew the Policy.

It is important that You check the terms of any renewal offer before renewing to satisfy Yourself that the details are correct. In particular, check the Sum Insured amounts and Excess(es) applicable and to ensure the levels of cover are appropriate for You. You also need to take into account any underinsurance provisions of the Policy. Please note that You need to comply with Your Duty of Disclosure before each renewal.

Terrorism and Cyclone Insurance Act

We have determined that the Policy (or part of it) is a Policy to which the Terrorism and Cyclone Insurance Act 2003 (the Act) applies. We have reinsured Our liability under the Act with the Commonwealth Government reinsurer, the Australian Reinsurance Pool Corporation (ARPC). As a consequence, We are required to pay a premium to ARPC and that amount (together with the cost of that part of the cover provided by Us and administrative costs associated with the legislation) is reflected in the premium charged to You. As with any other part of Our premium, it is subject to Government taxes and charges such as GST, Stamp Duty and, where applicable, Emergency Services Levy. For further information contact Global Transport & Automotive Insurance Solutions Pty Ltd or Your intermediary.

Financial Claims Scheme

In the unlikely event that Allianz Australia Insurance Limited were to become insolvent and could not meet its 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. More information can be obtained from <http://www.fcs.gov.au>.

Economic Sanctions

Notwithstanding anything contained in this Policy to the contrary, We shall not be liable to provide any cover or benefit or pay any claim where the provision of cover or benefit or payment of claim would constitute a breach of any trade or economic sanction, embargo, prohibition or restriction imposed by any of the following: United Nations, United States of America, Australia, European Union, United Kingdom, or New Zealand, or any other applicable national trade or economic sanctions, laws or regulations. This clause shall apply where such geographical location, provision of goods, services or other reasons shall contravene such sanction, embargo, prohibition or restriction.

Conduct of Others

Where a claim is made for a loss that is excluded as the result of the act of any person who is insured under the policy, We may consider certain factors that may have triggered the exclusion and make a discretionary payment in a way which is fair in the circumstances. This will apply even though We are not legally required to pay the claim. Factors We will consider include:

1. Mental illness;
2. An act of violence or intimidation; and/or
3. When cover has been varied or terminated with malicious intent.

This clause only applies to Part A of Section 1 - Commercial motor and does not apply to any other section of the policy or form part of the terms and conditions of the policy and does not confer any contractual or other right. Any payment we may make is at Our sole discretion only.

General definitions

These definitions have special meaning and apply to all cover sections of Your Policy, unless they are defined differently in the relevant cover section.

Business means the business described in the Schedule, carried on by You or on Your behalf at or from the premises and any trade or occupation incidental to that business.

Damage(d) means physical loss or destruction.

Dangerous Goods means substances or materials specified as such under the Australian Dangerous Goods Code (ADG Code) (or any equivalent or replacement thereof) and diesel.

Employee(s) means any person(s):

- a) engaged in the Business under a contract of service or apprenticeship; or
- b) supplied to You by a contract of labour hire.

Event(s) means one incident or all incidents of a series consequent upon or attributable to one originating cause.

Excess(es) means either the amount(s) of money specified in the Schedule or otherwise stated in Your Policy for each cover Section that You pay as a contribution for each claim, or the Deferment Period specified in the Schedule or otherwise stated in Your Policy for which no payment will be made by Us.

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:

- a) a lake (whether or not it has been altered or modified);
- b) a river (whether or not it has been altered or modified);
- c) a creek (whether or not it has been altered or modified);
- d) another natural watercourse (whether or not it has been altered or modified);
- e) a reservoir;
- f) a canal;
- g) a dam.

General Average means the maritime legal principle by which, should the ship-owner, one or more cargo owners, or other parties

with an interest in property on board a sea going vessel, make an extraordinary sacrifice or expenditure for the purposes of preserving all property at risk at a time of peril, all parties with property that has been preserved by such sacrifice or expenditure can be called upon to contribute a proportion of loss incurred.

Goods means Customer property of any type other than the types listed under the Specific exclusions applicable to Section 4 – Parts A, B and C – A. Property (Goods) exclusions. Goods includes Livestock unless otherwise specified.

Indemnity or **Indemnify** means that if there is Damage directly caused by any of the Events covered, We will at Our option pay You in accordance with the Basis of Settlement applicable to the relevant cover section.

Insured means the person(s) shown as the Insured on the Schedule.

Limit of Indemnity means the amount stated in the Policy or in the Schedule. This is the maximum amount We will pay for any claim or claims arising from one Event unless otherwise stated in the Policy or Schedule.

Malicious Damage means intentional Damage done to Your Insured Item by someone else without Your consent.

Optional Benefit means the endorsement(s) or clauses described under the Optional Benefits section of each cover Sections (where applicable) of this Policy. Optional Benefits are not applicable unless they are shown as being applicable in Your Schedule.

Optional Conditions means the endorsement(s) or clauses described under the Optional Conditions section of each cover Section (where applicable) of this Policy. Optional Conditions are not applicable unless they are shown as being applicable in Your Schedule.

Period of Insurance means the period commencing on the effective date and ending at 4pm on the expiry date as shown in the Schedule, unless the Policy otherwise ends earlier in accordance with its terms or the law.

Policy means this document, the Schedule, and any endorsement, restriction, specification, attachment or memoranda affixed to it and any other document that We agree in writing will form part of the Policy.

Pollutants means any solid, liquid, gaseous, or thermal irritant or contaminant including but

not limited to smoke, vapour, soot, fumes, acid, alkalis, chemical, asbestos or waste material.

Salvage has two meanings depending on the context, being either:

- a) what is left of the covered goods or covered property after it has suffered loss or Damage; or
- b) the physical act of recovering the covered goods or covered property which has been lost or Damaged, but which has residual commercial value.

Schedule means the most current Schedule to Your Policy that We give You which specifies details such as the cover sections that apply, including Optional Benefits, Optional Conditions (as defined in Section 1), restrictions, Policy number, relevant property insured, Sums Insured and/or Agreed Value (as defined in Section 1 if applicable), Excess(es), Limits of Liability, sub limits, additional endorsements and/or conditions and premium. It also includes any documents that We and You agree in writing will form part of the Schedule.

Sum Insured means the amount (s) stated in Your Policy Schedule and is the maximum amount We will pay, less any applicable Excess(es).

Territorial Limits means the geographical area anywhere within Australia or New Zealand unless stated otherwise within an individual cover section or in the Schedule.

We, Us, Our means Allianz Australia Insurance Limited ABN 15 000 122 850 AFS Licence No. 234708 exclusively through its subsidiary and underwriting agent Global Transport & Automotive Insurance Solutions Pty Ltd ABN 93 069 048 255 AFS Licence No 240714.

You or Your means

- a) those persons names as “the Insured” in the Policy Schedule. They are the contracting insured(s);
- b) the subsidiary companies and other entities a person referred to in clause a) above has a controlling interest in at the commencement of the Period of Insurance and other third parties who are specifically provided with cover under the Policy provided that:
 - (i) such persons can make a claim for benefits under the Policy entered into by You in accordance with the Policy terms and conditions. This right rises solely by

operation of section 48 of the Insurance Contracts Act 1984 (Cth). They do not enter into any agreement with Us and are not charged by Us for the right to make a claim for those benefits. Neither We nor You hold anything on trust for, or for the benefit or on behalf of such persons;

- (ii) such persons have no right to cancel or vary the Policy or its cover – only You (as the contracting insured) and We can do this. If We cancel or vary the Policy or its cover, We do not need to obtain such person’s consent to do so; and
- (iii) We do not provide any notices in relation to this insurance to such persons as they are not a contracting party to the Policy. We only send notices to You as the only person We have contractual obligations to under the Policy.

General exclusions

These General Exclusions are applicable to all cover sections of Your Policy. Each cover section of Your Policy also contains Specific Exclusions that are applicable to that cover section. In some cases, further Specific Exclusions may be included in Your Schedule.

We will not pay under this Policy any loss, Damage or liability caused by, arising from or in any way connected with:

1. 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, or in any way involving asbestos, or any materials containing asbestos in whatever form or quantity.

This Exclusion applies notwithstanding any provisions to the contrary within the Policy or any endorsement thereto.

2. Contractual liability

any liability which arises from any contract, undertaking or agreement by You unless such liability:

- a) in respect of Sections 1, 2 and 3, would have attached to You regardless of the contract, undertaking or agreement; or

- b) solely in respect of Section 4 cover, the contract is for the cartage of Goods and You have either:
 - (i) provided Us with details of the contract, including, where requested, a copy of the written Terms and Conditions; or
 - (ii) are claiming under Section 4 Parts B or C (where taken) regardless of Your strict liability at law to compensate the owner of the Goods.

3. Lawful seizure

the lawful seizure, detention, confiscation, nationalisation or requisition of the property insured.

4. Nuclear Event, substance or by-product

ionising radiation or contamination by radioactivity from:

- a) any nuclear fuel or from any nuclear waste; or
- b) the combustion of nuclear fuel (including any self-sustaining process of nuclear fission or fusion); or
- c) nuclear weapons material.

5. Territorial Limits

an Event or other circumstances occurring or arising outside the Territorial Limits except as specifically stated otherwise in the appropriate cover section.

6. Terrorism

death, injury, illness, loss, Damage, liability, cost or expense directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any act of terrorism, as defined herein, regardless of any other cause or Event contributing concurrently or in any other sequence to the loss.

An act of terrorism includes any act, or preparation in respect of action, or threat of action designed to influence the Government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or Government(s) de jure or de facto, and which:

- a) involves violence against one or more persons; or
- b) involves Damage to property; or
- c) endangers life other than that of the person committing the action; or
- d) creates a risk to health or safety of the public or a section of the public; or
- e) is designed to interfere with or to disrupt an electronic system.

Your Policy also excludes any liability for death, injury, illness, loss, Damage, cost or expense directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with any action in controlling, preventing, suppressing, retaliating against, or responding to any act of terrorism.

7. War

any war, whether war be declared or not, hostilities or rebellion, civil war, revolution, insurrection, military or usurped power, invasion, or act of foreign enemy.

8. Wilful acts

any:

- a) dishonest, fraudulent, criminal, unlawful, or malicious act;
- b) wilful breach of any statute, contract or duty; or
- c) conduct intended to cause loss, Damage or liability with reckless disregard for the consequences;

by You or any person acting with Your knowledge, consent or connivance.

General conditions

These General Conditions are applicable to all cover sections of Your Policy. Each cover section of Your Policy also contains Specific Conditions that are applicable to that cover section. In some cases, further Specific Conditions may be included in Your Schedule.

If You do not meet the applicable General Conditions and Specific Conditions (other than the cancellation condition), We may to the extent permitted by law cancel Your Policy and/or reduce or refuse to pay a claim, to the extent We are prejudiced by Your noncompliance.

1. Breach of conditions

Breach of or non-compliance with any Policy condition(s) by one Insured named in Your Schedule will not prejudice any other named Insured.

2. Governing law and jurisdiction

Your Policy is governed by the laws of Australia. Any dispute relating to Your Policy shall be submitted to the exclusive jurisdiction of an Australian Court within the State or Territory in which Your Policy was issued.

3. GST Notice

Your Policy has a GST provision in relation to Your premium and Our payment to You for claims. It may have an impact on how You determine the amount of insurance You need.

Please read carefully. Seek professional advice if You have any queries about GST and Your insurance.

Sums Insured/Limit of Indemnity

All monetary limits in Your Policy may be adjusted for GST in some circumstances (see below).

Claim settlements – Where We agree to pay

When We calculate the amount We will pay You, We will have regard to the items below:

Acquisition of goods, services or repairs

Where You are liable to pay an amount for GST in respect of an acquisition relevant to Your claim (such as services to repair a Damaged item insured under Your Policy), We will pay for the GST amount.

We will pay the GST amount in addition to the Sum Insured or Limit of Indemnity or other limits shown in Your Policy or in Your Schedule (unless We state GST is included in Sum Insured or Limit of Indemnity).

If Your Sum Insured or Limit of Indemnity is not sufficient to cover Your loss, We will only pay the GST amount that relates to Our settlement of Your claim.

We will reduce the GST amount We pay by the amount of any input tax credits to which You are or would be entitled.

Payment as compensation

Where We make a payment under Your Policy as compensation instead of payment for a relevant acquisition, We will reduce the amount of the payment by the amount of any input tax credit that You would have been entitled to had the payment been applied to a relevant acquisition.

Where Your Policy insures business interruption, We will (where relevant) pay You on Your claim by reference to the GST exclusive amount of any supply made by Your Business that is relevant to Your claim.

Disclosure – Input tax credit entitlement

If You register, or are registered, for GST, You are required to tell Us Your entitlement to an input tax credit on Your premium. If You fail to disclose or You understate Your entitlement, You may be liable for GST on a claim We may pay. Your Policy does not cover You for this GST liability, or for any fine, penalty or charge for which You may be liable.

4. Headings

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

5. Other insurance

You must give Us written notice of any insurance or insurances already affected, or which may be subsequently affected, covering, whether in whole or in part, the subject matter of the various cover sections of Your Policy.

6. Premium adjustment

If the premium for the Policy has been calculated on any estimates given by You, You must keep accurate records containing all relevant particulars and at any reasonable time and frequency allow Us to inspect such records.

Following the expiry of each Period of Insurance You must supply Us with such records as We may reasonably require so that the premium for that period may be calculated. We will adjust the premium payable for that period based on the amount of premium We would have charged had You provided the information contained in the records at the commencement of that period.

Subject to any minimum premium applicable, the difference must be paid by You.

7. Reasonable care and maintenance

You must take all reasonable care:

- a) to prevent loss, Damage or liability; and
- b) to maintain Your property insured in sound condition; and
- c) to minimise the risk of theft by ensuring that security devices are maintained in good working order; and
- d) to comply with all statutory obligations, by-laws, regulations, Public Authority requirements and safety requirements, including those relating to fire appliances; and
- e) to minimise any loss, Damage or liability; and
- f) to only employ competent Employees, agents and contractors and ensure they meet the requirements specified in clauses a) to d) above.

8. Waiver of subrogation rights

To the extent permitted by law, We will not be liable to pay any benefits under the Policy for loss or Damage if You agree or have agreed to limit or exclude any right of recovery against any third party to the extent that Your loss would have been recoverable from that person but for the agreement.

Claims procedures

In the event of a Claim

In order to be sure that You are covered under this policy You should always contact Us for approval before You incur costs You wish to claim. If You do not, We will pay for costs incurred up to the amount We would have authorised had You asked Us first.

As soon as reasonably possible after You become aware of anything happening which may result in a claim under Your Policy, You must, at Your own expense take all reasonable steps to:

- a) inform the Police as soon as reasonably possible of any Malicious Damage, theft, fraudulent conduct, attempted theft or loss of property;
- b) contact Us as soon as reasonably possible to advise how the loss, Damage or liability occurred;
- c) take all reasonable action to recover lost or stolen property and minimise the claim;
- d) as far as reasonably possible, preserve any Insured Item, products, appliances, plant or other items which might prove necessary or useful as evidence until We have had an opportunity to inspect them, to ensure You are covered, please contact Us before any repairs or disposal;
- e) give Us all the information, proof and assistance We may reasonably require to prosecute, defend or settle Your claim, including details of any other insurance effected by You or on Your behalf;
- f) as soon as reasonably practicable after the loss, Damage or relevant Event (or any further time which We may allow in writing), deliver to Us a written claim including as detailed an account as is reasonably practicable of the circumstances surrounding the loss, Damage or Event, and the amount claimed. You must provide Us with a statutory declaration if requested;
- g) as soon as reasonably possible send Us any claim, writ, summons, or full details of any relevant legal or other proceedings such as an impending prosecution or inquest that You receive or of which You become aware. If You do not, We may reduce or refuse Your claim to the extent We are prejudiced by Your delay;

h) at all times, give Us all the information and assistance We may reasonably require.

You should not:

- a) admit liability for, or offer or agree to settle, any claim without Our written consent. If You do, We may reduce or refuse Your claim to the extent We are prejudiced;
- b) authorise the repair or replacement of anything without Our agreement unless for safety reasons or to minimise or prevent further imminent loss, Damage, liability or injury, except to the extent allowed by Section 1 Part A, Additional Benefit 8. Emergency temporary repairs. Please contact Us to confirm approval for these costs.

After You have advised Us of any loss, Damage or liability:

- a) You must comply with all the terms of the General Conditions and Specific Conditions before We will meet any claim under Your Policy. We may reduce or refuse Your claim to the extent We are prejudiced by Your noncompliance;
- b) We have the right to recover from any person against whom You may be able to claim any money paid by Us and We will have full discretion in the conduct, settlement or defence of any claim in Your name. Unless otherwise provided in the Policy, the amount recovered will be applied first to reducing the amount by which Your loss exceeds the payment made by Us plus any Excess applied. Any balance remaining after You have been fully compensated for Your loss, up to the amount We have paid to You to settle Your claim (including Our legal fees for recovery), will be retained by Us. We will act reasonably having regard to Your interests, and will keep You informed if You ask Us to;
- c) We may take over and conduct, in Your name, the defence or settlement of any claim and We will have full discretion in the conduct of any proceedings in connection with the claim. We will act reasonably having regard to Your interests, and will keep You informed if You ask Us to;
- d) We may pay You the Limit of Indemnity under the applicable cover section or any lesser amount for which a claim or claims under that cover section may reasonably be settled. After We have paid You, We will no longer be liable for the claim(s) (or future

conduct of the claim(s)) except for costs and expenses incurred up until the time We pay You, that We previously agreed to pay;

- e) if You recover or find any lost or stolen property insured for which We have paid a claim, You must:
 - (i) inform Us as soon as reasonably possible; and
 - (ii) give Us the recovered or found property insured if We request You to do so.

If You do not, We may reduce or refuse Your claim to the extent We are prejudiced by Your delay.

Section 1 – Commercial Motor

Definitions applicable to Section 1

Accident means an unexpected, unforeseen or unintended incident involving Your Insured Item.

Accidental Damage means Damage as the consequence of an Accident.

Agreed Value means the amount specified in the Schedule as the Agreed Value (if applicable) for Your Insured Item including signwriting. We will pay You the Agreed Value amount if Your Insured Item is deemed to be a Total Loss by Us.

Airfield, Airport means an area of land set aside for the takeoff, landing, taxiing, parking and maintenance of aircraft, or any area that has been designated as the airside of an airfield or airport.

Dry Hire (d) means that You hire Your Insured Item to another person but You do not supply an Employee to drive or operate Your Insured Item.

Facial Recognition Unit means inwards facing cameras that are specifically designed to detect driver distraction and/or fatigue and provide real time in-cabin alerts. They must be designed for the type of vehicle they are installed in, be fit for purpose, and be operational at the time of Accident.

Family Member means any person who is or was at any time:

- a) Your parent, sibling, child; or

- b) Your spouse, spouse equivalent, domestic partner or domestic companion; or
- c) a parent, sibling or child of a person in clause b) above.

A spouse equivalent means a person who ordinarily lives with You in a genuine personal and domestic relationship.

GVM means Gross Vehicle Mass which is the total weight of the Motor Vehicle including the body, payload, fuel and the driver.

Insured Item means a Motor Vehicle and/or Mobile Plant as otherwise defined within this Definition section.

Market Value means the value of Your Insured Item including signwriting or other items that are specifically provided with cover under Section 1 of the Policy immediately prior to the loss or Damage using market prices exclusive of GST, Stamp Duty and transfer fees and taking into consideration the make, model, specifications and condition of Your Insured Item or other items that are specifically provided with cover under Section 1 of the Policy.

Mobile Plant means any self propelled appliance, equipment, machinery or implement shown as insured and specified in Your Schedule or other documents forming Your Policy including associated tools, components, fittings and accessories and that is not designed primarily for the transportation of people or cargo on public thoroughfares.

It also includes any associated attachment for the Mobile Plant that:

- a) is described in Your Schedule;
- b) is permanently attached to the Mobile Plant; or
- c) has a Market Value no greater than 10% of the Mobile Plant Sum Insured.

It also includes trailer mounted generators, compressors, VMS boards and the like, and hired in or non-owned Mobile Plant as covered by Optional Benefits D-EC122 and D-EC131, but does not include Motor Vehicles or Vehicle Loading Cranes as otherwise defined within this Definition section but it does include equipment, machinery or implements attached to Your Motor Vehicle.

Motor Vehicle(s) means the Motor Vehicle(s) and/or trailer(s), specified in Your Schedule or other documents forming Your Policy, including:

- a) sign writing; and
- b) accessories comprising refrigerator, radio, CB radio, CD player, DVD player, telephone, TV receiver, GPS receiver and Facial Recognition Unit but all only whilst attached to or within Your Motor Vehicle; and
- c) standard tools, accessories and appliances as supplied by the Motor Vehicle manufacturer; and
- d) ramps, ropes, binders, chains, chain dogs, pogo sticks, tarpaulins, gates whilst attached to or within Your Motor Vehicle; and
- e) fixed unspecified accessories.

The maximum We will pay for items under d) or e) is limited to \$15,000 inclusive to and not over and above the Market Value, Agreed Value or Sum Insured of Your Motor Vehicle, per Event, per Motor Vehicle, unless otherwise specified in Your Policy Schedule; and

- f) any other agreed accessories or equipment fitted to Your Motor Vehicle which are specified in Your Schedule or otherwise specifically covered by Your Policy.

It also includes hired in or non-owned Motor Vehicles as covered by Optional Benefits D-EC130 and D-EC131 but it does not include Mobile Plant as otherwise defined within this Definition section.

Operating/Operational Lease means a long term leasing agreement allowing You to use a vehicle in exchange for a regular expense payment and returning the vehicle at the end of the period without any further obligation to acquire or dispose of the vehicle.

Optional Conditions means the endorsement(s) or clauses described under the Optional Conditions section of Section 1 of this Policy. Optional Conditions are not applicable unless they are shown as being applicable in Your Schedule.

Substitute Vehicle means a vehicle not belonging to You which is used by You with the consent of the owner whilst Your Insured Item cannot be used because it is undergoing repair or service.

Tool of Trade means:

- a) Your mobile Plant and/or any attachment; or
- b) Any attachment, equipment, tool or other apparatus attached to Your Motor Vehicle;

Whilst preparing to engage in, being engaged in, or disengaging in the use or operation for which it was designed, which includes but is not limited to digging, excavating, lifting, lowering, suspending, drilling, boring, scraping, pumping, vacuuming, suction, harvesting, ploughing, earthmoving, shredding, hosing, grading, compacting, testing or other similar or like activities.

It does not include Vehicle Loading Cranes as otherwise defined within this Definition section.

Total Loss means where Your Insured Item is stolen and not recovered within a reasonable period of time, or suffers loss or Damage and We consider the cost of repairing it is either unsafe or uneconomical.

Total Loss Amount means:

- a) the lesser of the Market Value or Sum Insured of Your Insured Item; or
- b) the Agreed Value amount specified (if applicable) for Your Insured Item,

less the cumulative amount of any applicable Excess(es).

Vehicle Loading Crane means a crane that is mounted to Your Motor Vehicle for the express purpose of loading or unloading goods to or from that Motor Vehicle.

It does not include a Motor Vehicle or Mobile Plant as otherwise defined within this Definition section.

Wet Hire means that You hire Your Mobile Plant to another party with Your Employee to drive and operate Your Mobile Plant.

Excess

Excesses Applicable to Section 1 Parts A and B

Excesses are shown in Your Policy and Schedule. You may be required to pay more than one Excess. All Excesses are cumulative and apply to each and every Insured Item for each and every Event, unless We state otherwise.

The cumulative amount of the applicable Excesses is the amount You must contribute

as the first payment for each claim. We will only pay for amounts above the cumulative amount of the applicable Excesses You are required to pay.

Request or payment of any Excess amount should not be regarded as an acceptance of liability for a claim under the Policy.

Basic Excess

The basic Excess is shown in the Schedule and is the amount You must contribute to each claim. Other Excesses may apply in addition to the basic Excess. These additional Excesses are shown in the following section and/or in the Schedule. If We settle Your claim by making a cash payment to You, We will deduct the excess from the amount We pay to You. In other circumstances, You may need to pay the excess as a contribution to the repair or replacement.

Age or Inexperienced Driver's Excess

- a) If Your Motor Vehicle is a bus, sedan, station wagon, utility or other goods carrying vehicle less than 8 tonnes GVM and was being driven by or was in the control of a person as set out below, the following additional Excess per claim shall apply:
 - (i) under 21 years of age – \$700; or
 - (ii) under 21 years of age with less than 2 years' experience – \$1,000; or
 - (iii) aged 21 and under 25 years of age – \$350; or
 - (iv) aged 21 and under 25 years of age with less than 2 years' experience – \$650; or
 - (v) aged 25 years or over with less than 2 years' experience – \$300.
- b) If Your Motor Vehicle is a bus or coach or a rigid truck of 8 tonnes GVM or greater and was being driven by or was in the control of a person as set out below, the following additional Excess per claim shall apply:
 - (i) aged under 21 years – \$2,500; or
 - (ii) aged 21 years to 24 years inclusive – \$500.
- c) If Your Motor Vehicle is a prime mover and was being driven by or was in the control of a person as set out below, the following additional Excess per claim shall apply:
 - (i) aged 21 years to 22 years of age inclusive – \$5,000; or
 - (ii) aged 23 years and over but with less than two years of experience – \$5,000.

d) If Your Mobile Plant was being driven, operated by or was in the control of a person as set out below, the following additional Excess per claim shall apply;

- (i) under 21 years of age – \$1,000;
- (ii) aged 21 and under 25 years of age – \$500.

Terrain Excess

If Your Mobile Plant is a lateral or pivot irrigator, harvester, front, header or draper a terrain Excess of \$10,000 will apply in addition to any other Excess payable for any claim for loss or Damage arising from collision or impact with terrain including, but not limited to, rocks, vegetation, fences, trees, tree stumps, logs and ground undulations.

Incorrect Administering of an approved Additive Excess

If a claim is made under Additional Benefit clause 18 Incorrect Administering of an approved Additive of this Policy, the following minimum basic Excess will apply in addition to any other Excesses applicable under Your Policy:

If Your Insured Item is a:

• Prime mover	\$10,000
• Bus or coach	\$10,000
• Rigid truck or other goods carrying vehicle with a 4.5 tonnes GVM or greater	\$5,000
• Plant & machinery	\$5,000
• Sedan, SUV, 4WD or a goods carrying vehicle under 4.5 tonne GVM	\$2,500

If the basic Excess shown in Your Policy Schedule or subsequent Schedule is greater than the above, then the greater basic Excess is to apply.

Locking Devices

If Your Mobile Plant suffers loss or Damage due to malicious contamination to fuel, lubrication or hydraulic systems of Your Mobile Plant then an Excess of \$5,000 will be applicable in addition to any other applicable Excesses.

Non-owned Trailer Excess

If Your Insured Item is a trailer and is subject to a claim under:

- a) Additional Benefits applicable to Section 1 – Parts A & B 1. Non-Owned Trailer (Comprehensive); or
- b) Optional Benefit D-EC104 Non-owned Trailer (Liability); or
- c) Optional Benefit D-EC112 Non-owned Trailer (Comprehensive),

then a basic Excess of \$2,500 per trailer shall apply unless otherwise specified in the Schedule.

Outside Radius Excess

If Your Motor Vehicle is a bus or coach, articulated or goods carrying vehicle of 8 tonnes GVM or greater and is being driven outside the radius limit shown in the Schedule the Excess payable by You will be increased by 100% (doubled).

Tipping Excess

If Your Motor Vehicle is a rigid body tipper, a tipping trailer or a trailer designed with hydraulics to self load or unload any type of goods and loss or Damage occurs whilst any hoist, ram or stabilizing leg is partially or fully extended the basic Excess payable by You will be increased by 100% (doubled).

Trailer Excess – Liability to third parties

If Your liability arises from a trailer being towed, You will contribute the cumulative amount of applicable Excess(es) in respect of the towing Motor Vehicle.

Other Excess

There may be other Excesses that apply to an Optional Benefit, Optional Condition or additional endorsements or conditions. These Excesses, if applicable, will be shown in the applicable wording in the Policy or in the Schedule.

Faultless Excess waiver

If Your Motor Vehicle was involved in an Accident with another vehicle and the amount of the claim exceeds the cumulative amount of the applicable Excesses You will not be required to pay any Excess for a claim if:

- a) We determine that the Accident which gave rise to the claim was completely the fault of the driver of the other vehicle; and
- b) You have supplied the name and address of that driver; and
- c) the registration number of the other vehicle; or
- d) any other information that would reasonably allow Us to identify the person so that We can exercise Our rights of recovery.

This Excess waiver provision will not apply where We reasonably believe there

is any dispute or disagreement as to the party liable for the Accident.

Windscreen Excess waiver

If Your Motor Vehicle is a sedan, station wagon, 4WD, utility, a goods carrying vehicle of less than 4.5 tonnes GVM, or a bus with a maximum passenger load of 15 or less persons, and the only Damage to Your Motor Vehicle is to the windscreen or other fixed glass, You will not be required to pay any Excess.

The Cover

Where this cover section is shown as insured in Your Schedule and subject to the terms and conditions of the Policy the following cover options are available:

1. Part A – Loss or Damage; and
2. Part B – Liability to third parties.

Part A – Loss or Damage

Scope of Cover

Where Your Insured Item is shown in the Schedule as insured for cover option Part A We will cover You in accordance with the Basis of Settlement for:

- a) Accidental Damage to Your Insured Item including Damage caused by Flood or earthquake;
- b) loss or theft of Your Insured Item where Your Insured Item is not recovered or recovered Damaged; and
- c) Malicious Damage to Your Insured Item; that occurs during the Period of Insurance and within the Territorial Limits.

Basis of Settlement applicable to Section 1 – Part A

Subject to the applicable Excess(es), conditions and exclusions, We will at Our option (acting reasonably).

Repair

If Your Insured Item is Damaged and We consider it safe and economical to repair, We will pay for the reasonable costs to repair Your Insured Item to its condition before it was Damaged.

Total Loss

If Your Insured Item is a Total Loss We will:

- a) pay the Market Value or Sum Insured for the Insured Item, whichever is the lesser;
- b) replace Your Insured Item; or
- c) where Your Schedule specifies an Agreed Value for Your Insured Item, pay the Agreed Value as specified in the Schedule; or
- d) where the Insured Item is under an Operating/Operational Lease, pay the amount required by the owner under the Operating/Operational Lease agreement or the Market Value or Sum Insured, whichever is the lesser.

Contribution

If, in the course of repairing Your Insured Item it is necessary to repair it to a better condition than it was in before the loss or Damage occurred, We may ask You to contribute the additional amount to repair it to the better condition, above the amount which We reasonably believe represents the amount to repair it to the same condition. Before We ask You to contribute We will explain why, tell You how much it will be and how to pay it prior to the authorisation of any repairs.

Limit of Indemnity applicable to Section 1 – Part A

We will not pay more than the Sum Insured, Market Value or Agreed Value in accordance with the Basis of Settlement in respect of any one Insured Item for any one claim made during the Period of Insurance plus any Additional Benefits We have agreed to pay.

Our liability for loss or Damage under this Part A to any number of Motor Vehicles and Mobile Plant arising from one Event will not exceed \$10,000,000 inclusive of any Additional Benefits, applied Optional Benefits and endorsements, unless specified otherwise in the Policy or Your Policy Schedule.

Additional Benefits applicable to Section 1 – Part A

In order to be sure that You are covered under this policy You should always contact Us for approval before You incur costs You wish to claim. If You do not, We will pay for costs incurred up to the amount We would have authorised had You asked Us first.

The following Additional Benefits apply if We have accepted a claim under Section 1 Part A of this Policy unless stated otherwise.

They are in addition to the Limit of Indemnity applicable to Section 1 – Part A unless stated otherwise in the Schedule.

Each Additional Benefit will specify whether it applies to a Motor Vehicle, Mobile Plant or both (Insured Item).

1. Additional Cost of Reinstatement

If the required repairs to Your Mobile Plant necessitate it being repaired to a condition better than it was prior to the loss or Damage occurring and in doing so incurs additional cost in order to comply with the requirements of any

Government legislation or regulation to allow normal use of the Mobile Plant, then We will pay such additional costs:

- a) up to 10% of the Sum Insured of Your Mobile Plant; or
 - b) \$50,000,
- whichever is the lesser.

We will not pay for any additional costs in complying with such Government legislation or regulation that You were required to comply with prior to the loss or Damage occurring.

2. Appreciation in Market Value

If Your Mobile Plant suffers loss or Damage as a result of an Accident or theft We will increase the Sum Insured of Your Mobile Plant by up to 25% in accordance with its appreciation in value if:

- a) We agree that its Market Value was equal to or less than its Sum Insured at the beginning of the Period of Insurance or if added subsequently, at the time it was added to Your Policy; and
- b) We agree that its Market Value immediately prior to the Accident exceeded its Sum Insured.

This Additional Benefit will not apply to:

- a) loss or Damage caused directly or indirectly by theft and/or fire other than fire resulting from impact Damage; or
- b) to non-owned or hired in Mobile Plant; or
- c) Optional Benefit D-EC122 Hired In and Non-owned Mobile Plant.

3. Continuance of load cover

If Your Motor Vehicle suffers loss or Damage and a claim has been accepted under Section 1 Part A of this Policy, and Your Motor Vehicle is more than 100 kilometres from its point of departure and is unable to continue the journey, We will pay for You to hire another vehicle to complete the journey for the purposes of delivering the freight that is in Your Motor Vehicle only.

The maximum We will pay is limited to \$5,000 per Event.

4. Delivery expenses

If Your Insured Item suffers loss or Damage or if it is stolen and recovered undamaged, We will pay the cost of returning Your Insured Item to You at Your usual place of garaging or depot.

The maximum We will pay is limited to \$50,000 per Event.

5. Difference in Excess for rental Vehicles

Where You rent a sedan, station wagon, utility or 4WD in connection with Your Business We will cover the amount You have to pay for the excess under the rental agreement that exceeds the amount You would have to pay as the basic Excess under this Policy provided that the Damage or loss is claimed under the rental agreement.

The maximum We will pay is limited to \$10,000 per Event. We will pay this Additional Benefit whether or not We have accepted a claim under Section 1 Part A of this Policy.

6. Disablement modification

We will pay the reasonable costs to carry out any necessary modifications to Your Motor Vehicle should You or Your Employee, as of a result of an Accident covered by Section 1 Part A of the Policy, suffer any permanent disabilities requiring such modifications.

The maximum We will pay is limited to \$15,000 per Event.

7. Dry Hire Difference in Conditions – Mobile Plant

Notwithstanding Specific Exclusions applicable to Section 1, 5. Hire out of Vehicles (Dry Hire), if at the time of an Accident Your Mobile Plant was Dry Hired out and You did not release from liability nor waive Your rights to recover from the hirer, either by verbal or written agreement, for any loss or Damage the hirer incurs, and:

- a) the hirer of Your Mobile Plant failed to arrange and maintain a current insurance policy covering the Mobile Plant for loss or Damage; or
- b) the coverage provided by the hirer's insurance policy was not as extensive as the coverage provided under Section 1 Part A of the Policy; or
- c) the hirer did not hold the relevant licence or ticket required to drive or operate Your Mobile Plant and You could not reasonably have known that the hirer did not hold such licence or ticket; or
- d) the hirer was under the influence of alcohol or drugs and You could not reasonably have known that the hirer was under the influence; or
- e) the hirer deliberately or recklessly overloaded or incorrectly loaded Your Mobile Plant,

then We will pay for loss or Damage arising there from, limited to the difference in cover provided by such other policy and the cover provided by the Policy where applicable.

8. Emergency temporary repairs

If Your Insured Item suffers loss or Damage We will reimburse You the costs necessary to effect temporary repairs to Your Insured Item.

The maximum We will pay is limited to \$10,000 per Event.

9. Employees' personal property

If Your Insured Item suffers loss or Damage, for which a claim is accepted under Section 1 Part A of the Policy, and Your Employee sustains loss or Damage to their personal effects as a result of the Event, We will reimburse Your Employee for their loss after the application of any applicable Excesses.

We will reimburse the replacement cost of each of the personal effects but limited to a maximum of \$5,000 per Event.

This Additional Benefit will not apply to cash or negotiable securities and will not apply if the only claim under this Policy is by virtue of this Additional Benefit or Additional Benefit clause 19. Keys and locks.

10. Employee professional counselling

If Your Employee, as a driver or passenger in Your Insured Item has been involved in an Accident and a claim has been accepted under Section 1 Part A of the Policy We will pay the reasonable costs for Your Employee to obtain professional counselling.

The maximum We will pay is limited to \$10,000 per Event and We will not pay any costs which are covered by Medicare, a statutory or compulsory insurance scheme, private health insurance or for which We are not permitted by law to provide.

11. Expediting expenses

Where a claim has been accepted under Section 1 Part A of this Policy We agree to pay for the associated costs and expenses You incur to expedite the permanent repairs of Your Insured Item.

The maximum We will pay is limited to \$10,000 per Event or 50% of the repair cost, whichever is the lesser.

12. Facial Recognition Technology

The following benefits apply to Your Motor Vehicles that are fitted with operating Facial Recognition Units, and are covered under this Policy at the time of an Accident.

The following benefits do not apply to Motor Vehicles, and the trailers coupled to them at the time of an Accident, that are not fitted with Facial Recognition Units. Further, the following benefits do not apply to loss or Damage caused directly or indirectly by theft and/or fire, other than fire resulting from impact Damage.

GT also reserves the right to view the Facial Recognition Units footage in the event of a claim.

a) Driver Restriction

If Your Motor Vehicle is fitted with a Facial Recognition Unit it is hereby agreed that General Exclusion, 3. Driver Restriction is deleted. Further, it is agreed Age or Inexperienced Driver's Excess parts c) (i) and (ii) are amended to read "aged 18 or over".

b) Hire of Replacement Vehicle

If Your Motor Vehicle is fitted with a Facial Recognition Unit it is hereby agreed that Additional Benefit applicable to Part A, 16. Hire of Replacement Vehicle, is extended to include Motor Vehicles owned by You and that are covered under this Policy.

c) Excess Reduction

If Your Motor Vehicle is fitted with a Facial Recognition Unit it is hereby agreed that We will reduce Your Excess for on-road accidents for Your Motor Vehicle, and any trailers coupled to Your Motor Vehicle at the time of the Accident, provided the Facial Recognition Unit was operating at the time of the accident. We will reduce the Excess by \$2,500 or to \$0 if Your Excess is less than \$2,500.

d) Trailer in Control

If Your Motor Vehicle is fitted with a Facial Recognition Unit it is agreed that Additional Benefit Applicable to Part B, 6. Non-owned Trailer (Liability) is increased to \$200,000 maximum per Event for any single trailer or combination of trailers.

13. Family expenses during driver hospitalisation

If Your Employee driver of Your Insured Item is hospitalised as a result of an Accident and a claim has been accepted under Section 1 Part A of this Policy We will pay transport and accommodation costs, within Australia only, incurred by the Employee driver's immediate family to attend the hospital.

The maximum We will pay is limited to \$5,000 per Period of Insurance.

14. First Aid Kit

If Your Insured Item suffers loss or Damage We will pay the reasonable cost to restock or replace any first aid kit that was necessarily used at the time of loss or Damage.

15. Funeral expenses

If Your Insured Item suffers loss or Damage that directly causes the death of the driver of the Insured Item We will pay for the funeral expenses of the deceased.

The maximum We will pay is limited to \$15,000 per Event for any costs in excess of that payable by any accident compensation authority, medical fund or another insurance policy.

16. Hire of replacement vehicle (bus or coach)

If Your Motor Vehicle is a bus or coach and is un-roadworthy due to an Accident or has been stolen and a claim has been accepted under Section 1 Part A of the Policy then We agree to pay up to \$600 per day towards the cost of hiring a replacement vehicle for up to a maximum of 20 days from the date of Accident or theft whilst Your Motor Vehicle remains un-roadworthy or stolen provided a replacement vehicle is not available from within Your fleet.

If the repairs are completed, the stolen Motor Vehicle is recovered, or payment of Total Loss is made by Us within this 20 day period then the cover under this Additional Benefit shall cease at that time.

The benefits payable under this Additional Benefit and Additional Benefit 16. Hire vehicle following theft are not cumulative and cannot be claimed in succession in relation to the same Event.

17. Hire Vehicle following theft

If Your Insured Item is stolen We will reimburse You for the cost of hiring a vehicle of a similar make and model until:

- Your Insured Item is recovered undamaged, and You have been told of its location;
- Your Insured Item is recovered Damaged and the Damage is repaired; or
- We settle Your claim by paying the Market Value or replace the Insured Item after a Total Loss,

whichever happens first.

The maximum We will pay is limited to \$12,500 per Event.

The benefits payable under this Additional Benefit and Additional Benefit 16 Hire of replacement vehicle (bus or coach), are not cumulative and cannot be claimed in succession in relation to the same Event.

18. Incorrect administering of an approved additive

If Your Insured Item suffers Damage as a result of the incorrect administering of an approved additive for Your Insured Item, including but not limited to AdBlue, We will pay the costs associated with the repair of such Damage but subject to the Excesses as outlined in the Excess – Incorrect Administering of an approved Additive Excess section of this Policy.

19. Keys and locks

If, during the Period of Insurance, the keys or locks of Your Insured Item become lost or Damaged or there are reasonable grounds to suspect they have been duplicated, We will pay the cost of replacing such keys or locks.

The maximum We will pay is limited to \$10,000 per Event and no Excess will apply if there is no other loss or Damage to Your Insured Item.

We will pay this Additional Benefit whether or not We have accepted a claim under Section 1 Part A of this Policy.

20. Mobile Plant accessories

We will pay for loss or Damage to unspecified accessories that would normally attach to Your Mobile Plant even if they are not attached to Your Mobile Plant at the time of loss or Damage.

The maximum We will pay is limited to \$10,000 or 10% of the Sum Insured of the Mobile Plant to which they would normally attach, whichever is the lesser and for any one Event. You must pay an Excess of \$1,000 for any claim We accept under this Additional Benefit.

We will not pay:

- a) more than the Sum Insured if both Your Mobile Plant and its accessories are Damaged; and
- b) unless We are satisfied that the Sum Insured of Your Mobile Plant accurately reflects the Market Value of Your Mobile Plant including all of its accessories; and/or
- c) for GPS, laser or other guidance equipment whether they are attached or not attached to Your Mobile Plant at the time of loss or Damage unless We have agreed in writing to cover such equipment and You have paid any additional premium that We may require.

For the avoidance of doubt, unspecified accessories means accessories that have not been specified by You in Your declaration of Mobile Plant to Us.

21. Passengers baggage (bus or coach)

If Your Motor Vehicle is a bus or coach We will pay for loss or Damage to passengers baggage whilst being transported within Your bus or coach or attached luggage trailer.

This Additional Benefit will not cover:

- a) theft, unless there is forcible entry to Your securely locked Motor Vehicle;
- b) loss or Damage to cash or any negotiable security;
- c) loss or Damage to baggage loaded by any passenger;
- d) loss or Damage to baggage that is not accompanied by a passenger travelling on the Motor Vehicle; or
- e) loss or Damage caused by:
 - (i) depreciation or wear and tear;
 - (ii) deterioration resulting from atmospheric conditions.

This Additional Benefit is subject to a \$100 Excess per passenger per Event.

The maximum We will pay is limited to \$1,250, less Excess, per passenger, per Event and further limited to \$25,000, any one Period of Insurance.

22. Recovery expenses – Motor Vehicle

If Your Motor Vehicle suffers loss or Damage We will pay the costs necessarily incurred for the cleanup, recovery and removal of Your Motor Vehicle, excluding any load, to the nearest repairer approved by Us.

The maximum We will pay is limited to \$100,000 per Event.

23. Recovery expenses – Mobile Plant

If Your Mobile Plant suffers loss or Damage We will pay the following subject to Our prior written consent:

- a) the costs of dismantling and transporting the Mobile Plant for the purpose of effecting the repairs; and
- b) the costs of recovery of the Mobile Plant, its parts and components, including handling and transportation of the Mobile Plant and its parts and components to and from places of repair.

Please contact us to confirm approval for these expenses.

The maximum We will pay is limited to \$250,000 per Event.

24. Removal of load

If Your Motor Vehicle suffers loss or Damage We will pay for the costs necessarily incurred by You for the cleanup and removal of the goods being carried but only in excess of those costs for which the goods are covered by other insurance.

The maximum We will pay is limited to \$50,000 per Event.

25. Repatriation/Accommodation Expenses

If Your Motor Vehicle suffers loss or Damage when it was more than 100kms from its depot or place of garaging, and Your Motor Vehicle is unroadworthy to drive We will reimburse You the reasonable cost:

- a) to return Your driver and any non paying passenger to their destination or point of departure; or
- b) for emergency overnight accommodation.

The maximum We will pay is limited to \$5,000 per Event.

26. Retrieval Expenses – No Damage

If Your Insured Item becomes unintentionally immobilised, during the Period of Insurance, other than as the result of loss or Damage otherwise excluded by the Policy, We will pay the costs necessarily incurred by You for the recovery and/or retrieval of Your Insured Item to a place of safety.

The maximum We will pay is limited to \$50,000 per Event and in any one Period of Insurance.

You must pay to Us the Excess(es) applicable to Your Insured Item for any claim accepted by Us under this Additional Benefit.

We will pay this Additional Benefit whether or not We have accepted a claim under Section 1 Part A of this Policy.

27. Reward Costs

If Your Insured Item is stolen We will pay up to \$10,000 for a reward that You offer that results in the recovery of Your Insured Item provided that We have agreed in writing to cover the reward costs prior to the reward being offered.

28. Total Loss benefits

Where We determine that Your Insured Item is a Total Loss one of the following benefits may be applied. In the event that more than one benefit is operative, We will only apply one benefit – being the benefit with the highest value.

28.1 Finance payout

If Your Insured Item is considered by Us to be a Total Loss and the amount owed by You under a lease or other valid finance agreement is greater than the Total Loss Amount, We will pay the Total Loss Amount, plus:

- a) for an Insured Item with a Total Loss Amount less than \$500,000 – up to an additional 25%, limited to the total amount owing under the lease or other finance agreement; or
- b) for an Insured Item with a Total Loss Amount of \$500,000 or greater – up to an additional 20%, limited to the total amount owing under the lease or other finance agreement;

less:

- a) any payments and/or any interest in arrears on the date of the loss or Damage; and
- b) any payment which on the date of the loss or Damage has not been made solely because such payment was not actually due to have been paid at that date under the terms of the particular lease or finance agreement; and

- c) any GST where the GST component of the purchase price of Your Insured Item was financed as a part of the lease or finance agreement and You are registered for GST; and
- d) the amount of the loan that relates to amounts owing on the finance for the purchase of any other vehicle, item or product.

This finance payout benefit will not apply:

- a) to loss of or Damage caused directly or indirectly by theft and/or fire, other than fire resulting from impact Damage; or
- b) if You are more than 30 days in arrears with any payments on the date of the loss or Damage; or
- c) to non-owned or hired in Motor Vehicles except Motor Vehicles that are under an Operating/Operational Lease; or
- d) to non-owned or hired in Mobile Plant except Mobile Plant that are under an Operating/Operational Lease; or
- e) to Optional Benefit EC122 Hired In and Non-owned Mobile Plant.

28.2 New Motor Vehicle replacement for Total Loss

If Your Motor Vehicle is a sedan, station wagon, 4WD, bus, utility or goods carrying vehicle less than 4.5 tonnes GVM, and We consider it to be a Total Loss within two years of its original registration, We will replace Your Motor Vehicle with a new vehicle of the same or similar make and model. In replacing Your Motor Vehicle with a new vehicle, We will pay the associated delivery and Stamp Duty charges.

We will not pay for registration, insurance and other associated costs.

However, where:

- a) Your Motor Vehicle's model has been deleted from the manufacturer's range or has been superseded by a vehicle that We consider is significantly different; or
- b) Your Motor Vehicle was purchased as an end of series or run-out model; or
- c) We are unable to replace Your Motor Vehicle, or
- d) You elect not to replace Your Motor Vehicle under this Additional Benefit,

We will only pay the actual purchase price You paid for the Motor Vehicle, including delivery charges and Stamp Duty if they formed part of

Your purchase, less any applicable Excesses.

This Additional Benefit does not apply:

- a) To non-owned or hired in Motor Vehicles; or
- b) To Motor Vehicles under an Operating/Operational Lease.

28.3 Sum Insured payout or replacement vehicle

If Your Insured Item is a Motor Vehicle of 4.5 tonnes GVM or greater or registered Mobile Plant and We consider it to be a Total Loss within three years of its original registration date, or if Your Insured Item is an unregistered Mobile Plant and We consider it to be a Total Loss within three years of the date that You purchased it new and unused, We will pay at Your option one of the following:

- (i) Option A – We will pay the Sum Insured shown in the Schedule less any applicable Excesses. The maximum We will pay is the purchase price of the Insured Item inclusive of delivery charges and stamp duty only, less any applicable Excesses, and subject to any adjustment in accordance with the GST provision. We will not pay for registration, insurance and other associated costs; or
- (ii) Option B – if You require a replacement vehicle We will pay for the replacement of Your Insured Item with a new item of the same model, make and specifications. The maximum We will pay is a 120% of the purchase price of Your Insured Item or 120% of the Sum Insured shown in the Schedule, whichever is the lesser, inclusive of delivery charges and Stamp Duty only. We will not pay for registration, insurance and other associated costs.

However, where:

- a) Your Insured Item's model has been deleted from the manufacturer's range, or has been superseded by an item We consider is significantly different; or
- b) Your Insured Item was purchased as an end of series or run-out model,

We may decide to only pay You as per option A of this Additional Benefit.

This Additional Benefit does not apply:

- a) to non-owned or hired in Motor Vehicles and Mobile Plant; or
- b) to Motor Vehicles and Mobile Plant under an Operating/Operational Lease; or
- c) to Optional Benefit D-EC122 Hired In and Non-owned Mobile Plant.

29. Two wheel and box trailers

We will cover Damage to Your two wheel or box trailer if it is Damaged whilst attached to a Motor Vehicle that is covered under Section 1 Part A of this Policy.

The maximum We will pay is the Market Value of the two wheel or box trailer subject to a limit of \$2,500 unless otherwise noted in Your Schedule of Insured Items declared to Us prior to the Damage occurring.

30. Wet Hire Subrogation Waiver – Mobile Plant

Where You hire out Your Mobile Plant under Wet Hire conditions and the Wet Hire agreement:

- a) requires You to release the hirer from liability for loss or Damage to Your Mobile Plant; or
- b) requires that You provide insurance on Your Mobile Plant for the hirer,

then We agree to waive any right of recovery We may have against the hirer of Your Mobile Plant for loss or Damage caused to Your Mobile Plant.

31. Work Substitute vehicle

We will cover You for loss or Damage to a Substitute Vehicle You are driving, whilst Your Insured Item is undergoing repairs or service, and whilst the Substitute Vehicle is being used by You or Your Employee in the course of Your Business.

However, We will only pay up to the Sum Insured noted in Your Policy Schedule for Your Insured Item, that the Substitute Vehicle is substituting for.

Furthermore, We will not provide this Additional Benefit if the Substitute Vehicle is subject to a self-drive hire agreement.

Specific conditions applicable to Section 1 – Part A

If You do not meet these Specific Conditions, We may to the extent permitted by law cancel Your Policy and/or reduce or refuse to pay a claim, to the extent Our interests have been prejudiced by Your noncompliance.

1. Average

If Your Insured Item is:

- a) a Motor Vehicle of 4.5 tonnes GVM or greater; or
- b) Mobile Plant,

and at the time of an Accident giving rise to a claim under Section 1 Part A the Sum Insured of Your Insured Item is less than 80% of the current Market Value, We will pay only such proportion of the repair costs as the Sum Insured bears to 80% of the Market Value of Your Insured Item.

However, this Specific Condition will not apply to Your Mobile Plant if We determine the difference between the Sum Insured and Market Value is due to appreciation in value.

For the purpose of valuation and the application of this provision, prime movers, rigid trucks and attached trailers will be regarded as separate and distinct items.

2. Marine average

If Your Insured Item is being transported by sea between places within Australia or New Zealand during the Period of Insurance We will pay Your contribution for General Average and Salvage charges where such maritime conditions apply up to the Sum Insured, Market Value or Agreed Value whichever is the lesser, whether or not loss or Damage is suffered by Your Insured Item that is covered under Section 1 Part A.

Specific exclusions applicable to Section 1 – Part A

We will not cover You under this Section 1 Part A for any loss, Damage or liability directly or indirectly caused by, arising from or in any way connected with:

1. Blades and other working surfaces

the loss or Damage, including loss as a result of abandonment, to the following items forming part of Your Insured Item whilst they are in use performing their designed purpose:

- a) blades, cutting edges, cutting discs, knives, hammers, wear plates, pulverizing and crushing surfaces, screens, sieves, belts, chains or conveyor belts; and
- b) drill rods and bits including, but not limited to, any part attaching to or forming part of the drill rod or bit such as pipes, shafts, guides, filters, gaskets, plugs, caps, beacon housings, tool heads, nozzles and any other electronic mechanism.

2. Deterioration

loss or Damage to Your Insured Item including any resultant mechanical Damage caused by, arising from, or in any way connected with:

- a) rust or corrosion, unless caused by an insured Event or as may be recoverable under Part A; or
- b) depreciation or wear and tear; or
- c) general deterioration resulting from atmospheric conditions; or
- d) mechanical, structural, electrical or electronic failure or breakdown; or
- e) faulty design or workmanship.

However, other than resultant mechanical Damage, We will cover Damage resulting directly from an Accident or fire caused by such failure as stated in 2. d) or 2. e) above.

3. GPS, laser and guidance equipment

any Global Positioning System (GPS), laser or other such guidance equipment used in connection with Your Mobile Plant, regardless of whether they are located in or on Your Mobile Plant at the time of loss or Damage unless We have agreed in writing to cover such equipment and You have paid any additional premium that We may require.

4. Incorrect fuel, incorrect additive or non-approved fuel systems

- a) the use of incorrect fuel or incorrect additive; or
- b) the use of a fuel system in Your Insured Item:
 - (i) which is situated in Australia and which does not comply with Australian Standards; or
 - (ii) which is situated in New Zealand and which does not comply with New Zealand Standards.

However, this Exclusion will not apply to the use of incorrect fuel or incorrect additive if Your Insured Item is a sedan, station wagon, hatchback, 4WD or other similar passenger vehicle or utilities and vans under 4.5 tonne GVM.

5. Loss of fuel

the loss of or theft of fuel from Your Insured Item or for the cost or replacement of contaminated fuel in Your Insured Item.

6. Loss of oil/coolant

loss or Damage to Your Insured Item or any resultant mechanical Damage caused by, arising from, in consequence of, or in any way connected with the loss of oil or coolant in Your Insured Item.

For the avoidance of doubt and subject to the exceptions listed below, this exclusion still applies even if the loss of oil or coolant in Your Insured Item is caused by, or occurs as a result of an Accident. For example, this means We will not cover any loss or Damage to Your Insured Item, or any resultant mechanical Damage caused by, arising from, in consequence of or in any way connected with the loss of oil or coolant that has occurred due to failure to:

- a) Properly secure a cap, plug or seal; or
- b) Replenish the level of oil or coolant to at least the minimum recommended by the manufacturer.

However, this exclusion will not apply if Your Insured Item:

- a) suffers Malicious Damage; or
- b) is Damaged by impact; or
- c) is Damaged by an unauthorised person driving Your Insured Item.

7. Multiple crane lift

any crane or lifting device if it is being used for a lifting operation in which the load is shared or rigged for use with another crane or lifting device.

8. Pre-existing Damage

the cost of:

- a) repairing pre-existing Damage; or
- b) fixing faulty repairs to Your Insured Item unless the repairs were undertaken as the result of a claim under this Policy and with Our agreement.

9. Repossession

loss or Damage to Your Insured Item caused by any person repossessing or attempting to repossess Your Insured Item due to a finance debt.

10. Setting of concrete/bitumen

any agitator, barrel, bowl, tanker trailer or pump and their fittings caused by the hardening or setting of concrete or bitumen.

However, this Exclusion will not apply if You, Your driver/operator or any other covered persons have taken all reasonable steps to remove the concrete or bitumen from the Insured Item.

11. Theft by hirer

the theft or attempted theft of Your Insured Item by any hirer.

12. Tidal movement

loss or Damage to Your Mobile Plant from partial or total immersion in water due to tidal movement unless You, Your Employee(s) or any other covered persons have taken all reasonable steps to prevent or minimise the loss or Damage by all means available.

13. Tyres

loss or Damage to Your Insured Item's:

- a) tyres by application of brakes, punctures, cuts, blowout or any road use; or
- b) rubber tracks caused by punctures, cuts, or rupture,

unless caused as a result of an Accident which is an Event covered under Part A of the Policy.

14. Underground

the costs of recovering Your Insured Item if it is abandoned, whether damaged or not, in an underground excavation, tunnel or mine.

Part B – Liability to third parties

Scope of Cover applicable to Section 1 – Part B

Where Your Insured Item is registered or licensed as required by law for use on public roads, and is shown in the Schedule as insured for cover option Part B, We will cover You for any amount for which You become legally liable to pay as compensation in respect of loss or Damage to someone else's property caused by an Accident that occurs during the Period of Insurance and within the Territorial Limits which is partly or fully Your fault up to the Limit of Indemnity applicable to this Section 1 Part B.

This cover will apply only if Your legal liability for loss or Damage to someone else's property arises out of the use of Your Insured Item and is subject to the applicable Excess(es), conditions, exclusions and Limit of Indemnity.

In order to be sure that You are covered under this policy You should always contact Us for approval before You incur costs You wish

to claim. If You do not, We will pay for costs incurred up to the amount We would have authorised had You asked Us first.

The most We will pay arising out of any one Accident is the Limit of Indemnity.

The Indemnity provided under this Section 1 Part B will also apply to:

- a) any person who is driving, using or in charge of Your Insured Item with Your permission;
- b) a passenger travelling in Your Insured Item or who is getting into or out of Your Insured Item; and
- c) Your employer, principal or partner, arising from Your use of Your Insured Item.

Limit of Indemnity applicable to Section 1 – Part B

The maximum We will pay in respect of all claims arising from one Accident or series of Accidents resulting from the one original cause will not exceed:

- a) \$35,000,000 inclusive of any Additional Benefits or applied Optional Benefits but excluding any claim(s) arising from the transportation of Dangerous Goods or diesel including cleanup, contamination or restitution of any land or waterway; or
- b) \$2,500,000 inclusive of any Additional Benefits or applied Optional Benefits, and arising from the transportation of Dangerous Goods (as defined by the Australian Dangerous Goods Code) or diesel including cleanup, contamination or restitution of any land or waterway.

We will not cover Your liability for any claim arising from, or in any way connected with, the transportation of the following types of Dangerous Goods:

- Class 6.2 – Infectious Substances;
- Class 7 – Radioactive Materials,

unless otherwise specified in Your Schedule.

Additional Benefits applicable to Section 1 – Part B

The following Additional Benefits apply if We have accepted a claim under Section 1 – Part B of the Policy and to the extent that the Limit of Indemnity is not otherwise exhausted, unless otherwise stated.

Each Additional Benefit will specify whether it applies to a Motor Vehicle, Mobile Plant or both.

1. Emergency, fire and police authorities

Where a claim has been accepted under Section 1 – Part B of the Policy We will cover You for costs levied against You, as a result of loss or Damage involving Your Insured Item by:

- a) any emergency authority;
- b) any fire brigade; or
- c) any police force.

The maximum We will pay is \$50,000 per Event.

2. Employers and principals indemnity

We will, up to the Limit of Indemnity under Section 1 Part B of this Policy, Indemnify Your employer or principal in respect of damages for which You are liable at law arising out of or in connection with Your Insured Item whilst being used in connection with Your employer or principal's business.

3. Falling goods

We will cover Your legal liability for Damage to someone else's property caused by goods falling from Your Motor Vehicle.

4. Legal costs

We will cover You for all legal costs and expenses incurred with Our written consent to defend or settle any claim, arising from an Accident involving the use of Your Insured Item, including costs incurred for Your representation at any enquiry or coroner's hearing.

We will pay this benefit in addition to the Limit of Indemnity applicable to Section 1 – Part B.

5. Loading and unloading

We will cover You, notwithstanding Specific Exclusions applicable to Section 1 – Part B -7. Tool of Trade of the Policy if Accidental Damage to someone else's property is caused during the operation of loading or unloading of Your Motor Vehicle by the use of a Vehicle Loading Crane attached to Your Motor Vehicle but not including:

- a) the collection or delivery of the load to or from Your Motor Vehicle; and
- b) the goods being loaded or unloaded.

6. Substitute Vehicle or Non-owned Vehicle

We will cover Your legal liability for loss or Damage to someone else's property caused by a Substitute Vehicle You are driving whilst Your Insured Item is undergoing repairs or service, or caused by a vehicle not owned by You but whilst being used by You or Your Employee in the course of Your Business.

However, We will not provide this Additional Benefit:

- a) if the Substitute Vehicle or non-owned vehicle is subject to a self-drive hire agreement; or
- b) for any Damage to the Substitute Vehicle or non-owned vehicle You are driving or in charge of.

7. Supplementary Bodily Injury

We will cover:

- a) You; or
- b) a currently licensed driver of Your Insured Item or Substitute Vehicle driving the Insured Item or Substitute Vehicle with Your consent,

for legal liability for death or bodily injury caused by or arising from the use of Your Insured Item or Substitute Vehicle from one or more of the following Events provided Your Insured Item or Substitute Vehicle is registered for use on a public road when the liability is incurred:

- a) driving or being in charge of Your Insured Item or a Substitute Vehicle;
- b) goods being carried by or falling from Your Motor Vehicle or a Substitute Vehicle;
- c) loading or unloading Your Motor Vehicle or a Substitute Vehicle; and
- d) the legal liability of a passenger travelling in, or getting into or out of, Your Insured Item or Substitute Vehicle with:
 - (i) Your permission; or
 - (ii) the permission of a currently licensed driver, that was driving or in charge of Your Insured Item or Substitute Vehicle with Your consent.

We will not cover You:

- a) if the Event or series of related Events that give rise to the legal liability or any part of it is covered or indemnified in any way by any:
 - (i) statutory or compulsory insurance scheme, arrangement or policy; or
 - (ii) compensation scheme or fund, even if the amount recoverable is nil;
- b) for any amount of a claim over that recoverable under any:
 - (i) statutory or compulsory insurance scheme, arrangement or policy; or
 - (ii) compensation scheme or fund;
- c) if the legal liability would have been covered or indemnified in any way if You, or the owner, had not failed to:
 - (i) insure Your Insured Item or the Substitute Vehicle;
 - (ii) register Your Insured Item or the Substitute Vehicle; or
 - (iii) comply with the requirements of any statutory or compulsory insurance scheme, arrangement or policy or compensation scheme or fund;
- d) for legal liability to compensate any:
 - (i) person driving or in charge of Your Insured Item or the Substitute Vehicle;
 - (ii) of Your Employees; or
 - (iii) Family Members;
- e) for legal liability to compensate any person in respect of any psychological or psychiatric injury (other than to the extent that it is directly caused by or arises from serious physical bodily injury of the person who suffers the psychological or psychiatric injury);
- f) to the extent permitted by law, unless You or the person claiming under this cover section have notified Us of a claim under this cover section as soon as reasonably possible after You or that person first become aware of an intention to make a claim against You or that person;
- g) for legal liability caused by or arising from an intentional act by You or any other person;
- h) for any amount of exemplary, punitive or aggravated damages;

- i) if Your Insured Item or Substitute Vehicle is registered in the Northern Territory of Australia;
- j) if Your Insured Item or Substitute Vehicle is outside of Australia or New Zealand at the time of loss or Accident;
- k) if Your Mobile Plant or a Substitute Vehicle which is Mobile Plant is being used for the purpose for which it was designed other than for driving on a public road or thoroughfare.

8. Vehicles under tow

We will cover Your legal liability for loss or Damage to other property not owned by You or in Your care, custody or control, caused by any vehicle which is registered, or licensed to operate on a public road and which Your Motor Vehicle was towing.

Specific exclusions applicable to Section 1 – Part B

We will not cover You under Section 1 Part B for any loss, Damage or liability directly or indirectly caused by, arising from or in any way connected with:

1. Aviation

the use of Your Insured Item whilst parked or operating at any Airport or Airfield.

2. Fines, penalties, punitive damages

any fines, penalties, or aggravated, exemplary or punitive damages.

3. Pollution

the discharge, dispersal, release, seepage or escape of Pollutants or other contaminants into or upon buildings or other structures or water or land or the atmosphere.

However, We will Indemnify You where liability arises from a sudden, unforeseeable, and identifiable Event that is unintended and unexpected by You and which takes place in its entirety at a specific time and place during the Period of Insurance.

4. Property possession, custody or control

property that is:

- a) owned by You; or
- b) owned by the Employee driver of Your Insured Item; or
- c) in Your possession, custody or control.

This Exclusion will not apply to:

- a) vehicles belonging to Employees or visitors contained within the confines of a car park owned or occupied by You; or
- b) premises leased or rented to You; or
- c) trailers covered under Additional Benefits applicable to Parts A & B 1. Non-owned Trailer (Comprehensive), Optional Benefits D-EC104 Non-owned Trailer (Liability) and D-EC112 Non-owned Trailer (Comprehensive); or
- d) any item covered under Optional Benefit D-EC111 Hook Liability – Motor Vehicle.

5. Rail Vehicles

Your Insured Item if it is being used on rails or tracks.

6. Statutory Liability

an Event which is insurable under any Statutory or compulsory insurance scheme, arrangement or policy or compensation scheme or fund covering such legal liability.

7. Tool of Trade

the use of Your Insured Item as a Tool of Trade.

This exclusion will not apply whilst Your Insured Item is in transit and is not operating as a Tool of Trade.

8. Underground

an Event that occurred whilst Your Insured Item is being used in underground excavation, tunnelling or mining activities or is underground whilst excavation, tunnelling or mining is taking place.

9. Unregistered Vehicles

the use of Your Insured Item if it is unregistered at the time of the Event giving rise to the claim.

However, this Exclusion will not apply if You have complied with all statutory requirements allowing the movement of the unregistered Insured Item.

10. Vibration

- a) vibration; or
- b) the weight of Your Insured Item where the driver has ignored advisory signs or warnings.

Additional benefits applicable to Section 1 Parts A & B

1. Non-Owned Trailer (Comprehensive)

We will cover You, subject to the conditions and exclusions of the Policy, under cover option Section 1 Part A – Loss or Damage, for loss or Damage to any single trailer or combination of trailers whilst in Your possession, custody or control, and for Your legal liability under Section 1 Part B – Liability to Third Parties, provided:

- a) the trailer(s) is not owned, leased or under any other finance arrangement by You or is not on hire to You; and
- b) the cover does not extend to the contents or goods being carried in any trailer, including any clean-up costs associated with the contents or goods, and
- c) the cover does not extend to losses or Damage caused by or resulting from any act or omission (negligent or deliberate) by or on the part of any third parties or persons who own or hold a beneficial entitlement to the trailer (or their servants and/or agents) and are specifically provided with Cover under the Policy.

We will not provide cover under this Additional Benefit unless and until any owner or beneficiary seeking to be provided or entitled to any benefit under this Policy first agree to unreservedly assign to Us all legal and/or equitable rights (including any subrogated rights) in relation to the potential recovery of any losses or Damage covered under this Additional Benefit.

The maximum We will pay, any one Event, regardless of the number of trailers in Your possession, custody or control at the time of the Event, is \$100,000.

This cover cannot be used cumulatively, in succession with or in conjunction with any other cover provided under this Policy, in respect to any one single trailer.

Specific exclusions applicable to Section 1

The Policy does not cover any loss, Damage or liability caused by, arising from or in any way connected with:

1. Driver restriction

Your Motor Vehicle if it is a prime mover and:

- a) is being driven by, or is in the charge of any person who is under 21 years of age; or
- b) is being driven by, or is in the charge of any person who is aged 21 to 24 years of age and the goods being carried are:
 - (i) placarded dangerous goods, as defined by this Policy, including diesel;
 - (ii) refrigerated goods; or
 - (iii) livestock.

2. Driving under the influence of alcohol/drugs

Your Insured Item if it is being driven by any person:

- a) whose faculties are impaired by any drug or intoxicating liquor; or
- b) who is convicted of or found guilty driving, at the time of the Accident, under the influence of intoxicating liquor or any drug; or
- c) with a percentage of alcohol in their breath or blood in excess of the percentage permitted by law; or
- d) who refuses to provide or allow the taking of a sample of breath, blood or urine for testing or analysis as required by the law of any State or Territory.

However, this exclusion does not apply if You could not reasonably have known that the driver of Your Insured Item was so affected or refused to undergo an appropriate test at the time of the Accident.

3. Financial loss and non-financial loss

any financial loss incurred by You, because You cannot use Your Insured Item as the result of a claim under the Policy or for any non-financial loss associated with a claim.

4. Hire, fare or reward

Your Motor Vehicle if it is being used for carrying passengers for hire or reward, except for a private pooling arrangement or when You receive a travelling allowance from Your full time employer.

5. Hire out of Vehicles (Dry Hire)

Your Insured Item is hired out by You without a driver or operator.

However, this exclusion does not apply to:

- a) trailers insured under the Policy; or
- b) insured Items specifically covered under Optional Benefits:
 - D-EC124 – Dry Hire Damage Waiver or
 - D-EC125 – Dry Hire Difference in Conditions – Motor Vehicle.

6. On water

Your Insured Item, other than as cargo, when it is not on dry land which extends to include fixed wharfs and jetties but does not include on or in any kind of vessel or craft made or intended to float or travel on or in water.

7. Overloaded Vehicles

Your Insured Item if it is being used to carry a greater number of passengers or convey, lift, suspend or tow a load in excess of that for which Your Insured Item was constructed and such use caused or contributed to the loss, damage or liability.

However, this exclusion does not apply if You could not reasonably have known that Your Insured Item was being operated in such a manner.

8. Participation

Your Insured Item if it is participating in or used in connection with, rally driving, motor racing, any activity on a racetrack, competitive motor sport event, an experiment, contest or other motor sports event.

9. Unlicensed drivers

Your Insured Item if it is driven or operated by any person with Your consent who is not licensed to drive or operate such a Motor Vehicle or Mobile Plant under any relevant laws, by laws and regulations.

However, this exclusion does not apply if You could not reasonably have known the driver of Your Insured Item was not correctly licensed.

10. Unsafe Vehicles

Your Insured Item if it is used in an unsafe or un-roadworthy condition and such condition caused or contributed to the loss, Damage or legal liability.

However, this exclusion does not apply if You could not reasonably have known the unsafe or un-roadworthy condition of Your Insured Item.

Specific conditions applicable to Section 1

If You do not meet these Specific Conditions, We may to the extent permitted by law cancel Your Policy and/or reduce or refuse to pay a claim, to the extent We are prejudiced by Your noncompliance.

1. Acquired companies

We will cover any company or subsidiary company formed, purchased or otherwise acquired by You during the Period of Insurance, provided:

- a) You hold a controlling interest in the company;
- b) You advise Us of Your interest within 30 days from the date of acquisition;
- c) You advise Us the number of additional Insured Items; and
- d) You pay Us any additional premium required.

2. Alteration to use

You must give Us written notice of any alteration to circumstances under which Your Insured Item(s) is used and which is contrary to that which was disclosed in Your application for cover.

If We agree to the change, We will do so in writing and You must pay Us any additional premium We may require in order to cover the change. We may cancel Your Policy if there is a change and We can't reach an agreement with You on altered premium, or We are no longer prepared to insure You because there has been a material change to the risk

3. Automatic additions and deletions

We will cover any replacement or additional Insured Items purchased, whether outright or under a leasing arrangement or other finance agreement, by You during the Period of Insurance, provided:

- a) such additional Insured Items are of a substantially similar type to the Insured Items declared by You to Us at the commencement of the Period of Insurance unless otherwise agreed by Us; and
- b) You provide Us with written notice of such purchase, whether under finance or not, within 30 days of purchase, unless otherwise agreed by Us; and

- c) You pay Us any additional premium We require in accordance with the premium adjustment clause agreed by Us; and
- d) this Specific Condition does not extend to include Motor Vehicles or Mobile Plant which are hired by You.

The maximum We will pay is limited to \$500,000 per Insured Item unless shown otherwise in the Schedule.

4. Cross liability

Where You are comprised of more than one entity, the term You will be considered as applying to each entity in the same manner as though a separate Policy had been issued to each entity, provided that the Sum Insured, Our Limit of Indemnity and liability to make supplementary payments will apply as though there were not separate policies issued to each entity.

5. Other interests

Your Policy does not provide cover in respect of the interest of any entity or person not named in Your Policy Schedule.

Any persons or entities entitled to benefits under Your Policy shall be bound by the terms, conditions and exclusions of Your Policy.

If any financier has an interest in any Insured Item insured under the Policy and We agree to settle Your claim by cash payment, We reserve the right to pay all or part of the claim proceeds to the financier. This will satisfy Our obligations to You under the Policy for the payment of Your claim.

6. Waiver of subrogation rights

We agree to waive Our rights of recovery against any municipal, Government, semi government or statutory authority where You are required by contractual agreement to release those entities from liability from any Event covered by Section 1 of the Policy.

Specific Claims procedures for Section 1

What happens after You make a claim

1. Choice of repairer

You must choose the repairer to repair the Damage to Your Insured Item. If You request, We can provide general information to assist You in choosing a suitable repairer. The repairer You choose must be engaged by You to carry out the necessary repair work. The repairer of Your Insured Item is not engaged by Us.

If We are not reasonably satisfied with Your chosen repairer, or the quotation they provide, We will provide you with details of our concerns and may (if those cannot be promptly resolved), acting reasonably, require You to arrange another quotation from a different repairer chosen by You. We will then determine (acting reasonably and subject to any relevant Policy limits) whether to:

- a) Authorise the repairs at Your first repairer of choice; or
- b) Pay You the reasonable costs of repairing Your Insured Item; or
- c) With Your consent, authorise for Your Insured Item to be moved to another repairer chosen by You that will repair Your Insured Item.

We are responsible for paying for the reasonable cost of repairs to Your Insured Item. When We authorise repairs to Your Insured Item, We are providing confirmation that the cost of the repair work, as quoted by Your chosen repairer, subject to any specified adjustments, will be covered by Us.

You are responsible for choosing the repairer to carry out the repairs to Your Insured Item. The repairer is responsible for carrying out the repairs, the repair workmanship and quality, and the manner in which the repairs are completed.

2. When You are at fault

You are at fault if You:

- are responsible for the accident; or
- contributed to the cause of an accident.

For the purpose of providing you with indemnity under the Policy in connection with an Accident (including deciding whether We settle or defend a claim by or against others in connection with the Accident), We will be solely responsible for deciding whether You are at fault. At all times We will act reasonably and take into account the road rules in the jurisdiction where the Accident occurred when making Our decision.

3. Guarantee and warranty

We will act on Your behalf and work with You and Your chosen repairer to ensure the repairs are completed to a reasonable standard. We guarantee materials and workmanship on repairs We indemnify under this Policy for as long as You own or lease Your Insured Item. This guarantee is not transferable.

4. Payment of unpaid premium when Your Insured Item is a Total Loss

If Your Insured Item is a Total Loss and We have agreed to pay Your claim:

- a) the amount of any unpaid premium for the Period of Insurance will be deducted from the amount payable to You; and
- b) if We are replacing Your Insured Item, You must pay Us the balance of any unpaid premium for the Period of Insurance.

5. Salvage

If Your Insured Item is a Total Loss and We have agreed to replace Your Insured Item or pay the Market Value, Sum Insured or Agreed Value:

- a) the wreckage of Your Insured Item will become Our property; and
- b) We will keep the proceeds of any Salvage sale.

At Our discretion (and if safe to do so), You may reclaim the wreckage if You agree to pay the salvage price.

6. Spare parts, extras and accessories

If Your chosen repairer is unable to repair the part, the repairer should use new, recycled or reconditioned parts that meet the requirements of Australian Design Rules (ADR). If such parts are not available, the repairer may use appropriate parts from alternative distribution channels.

When We pay Your chosen repairer for the cost of repair work, We will, acting reasonably, normally not authorise the cost for the supply of any spare part, extra or accessory that is greater than the maker's last list price in Australia (together with a reasonable charge for fitting).

In the event that any spare part, extra or accessory cannot be obtained immediately by the repairer, We may choose to pay You the value of the spare part, extra or accessory (together with a reasonable charge for fitting) rather than have the spare part, extra or accessory supplied and fitted by Your chosen repairer.

7. Sublet repairs

If the Damage to Your Insured Item requires Your chosen repairer to engage the services of a specific specialist repairer and/or supplier for particular components of the repairs, the repairer may sublet that component to such repairer or supplier.

Optional Conditions applicable to Section 1

The following Optional Conditions apply to the cover provided by the Policy when they are specified as being applicable in Your Policy Schedule.

D-EC102 – Claims Experience Discount (CED)

At the end of the Period of Insurance for which this adjustment applies, We will adjust Your premium in the event of the incurred claims during the Period of Insurance being less than 70% of the total base premium payable before charges. We will refund up to 50% of the difference between 70% of the annual premium paid and the incurred claims or such other amount as specified in the Schedule provided that:

- a) the Policy is renewed with Us for the following 12 months; and
- b) such refund is limited to a maximum of 10%, or such other amount specified in the Schedule, of the annual premium paid.

The adjustment shall be made 90 days after the Policy expires or as otherwise agreed by Us subject to the provision that all known claims have been lodged.

Note: Incurred claims means all claims paid during the Period of Insurance and what We have provided as a reserve for outstanding claims.

D-EC103 – Burning Cost

We will adjust Your premium on the following basis:

- a) Adjustment
 - (i) You must pay Us the deposit premium at the commencement of the Period of Insurance;
 - (ii) the maximum and minimum premiums agreed at inception will be adjusted in accordance with any variation in the number of Insured Items covered or their values as required to be insured for in the forthcoming Period of Insurance;
 - (iii) incurred claims during the Period of Insurance will be multiplied by the claims adjustment factor agreed at inception of the Period of Insurance to ascertain final premium payable; and

- (iv) the difference between final premium payable and the original deposit premium shall be the premium adjustment subject to maximum and minimum premiums agreed in a) (i) above plus or minus any premium adjustments paid during the Period of Insurance.

b) Cancellation

In the event of cancellation of the Policy during Period of Insurance the overall premium payable by You will be determined by applying the formula prescribed in a) above but subject to the adjusted maximum and minimum premiums being calculated on a pro-rata basis.

c) Call-up

We retain the right to call up the difference, or part thereof, between the deposit and maximum premiums during the Period of Insurance if incurred claims exceed the deposit premium.

The adjustment shall be made 90 days after the Policy expires, or as otherwise agreed by Us, subject to the provision that all known claims have been lodged with Us.

Note: Incurred claims means all claims paid during the Period of Insurance and what We have provided as a reserve for outstanding claims.

D-EC106 – Annual Vehicle Adjustment

We will adjust Your Policy at the expiry of the Period of Insurance based on the number of Insured Items declared and/or their values. The basis of any adjustment premium will be 50% of the unit cost rate or other rate agreed (as the case may be) applied to the difference in the number of Insured Items and/or their value declared at inception and expiry of the Period of Insurance.

However, You must inform Us as soon as reasonably possible of any Insured Items added during the year that have a value in excess of \$500,000. If You do not, the maximum We will pay will be limited to \$500,000 under Part A of this Policy for any one loss. For further details refer to Specific Conditions applicable to Section 1, 3. Automatic additions and deletions. If You do not, We may reduce or refuse Your claim to the extent We are prejudiced by Your delay. You may be covered provided that You pay any mid-term extra premium We require for any new Insured Item that exceeds \$500,000 in value.

D-EC108 – Aggregate Excess

We agree to handle Your self-insured claims that fall within the Aggregate Excess, subject to the following conditions:

- a) All Excesses apply within the Aggregate Excess, and continue to apply once the Aggregate Excess has been exhausted.
- c) The Aggregate Excess will be eroded (debited) by the actual paid cost of repairs or other services, rather than the assessed cost.
- d) Adjustments performed in accordance with the rise and fall of Insured Item numbers or asset value (or any other premium adjustment endorsement that may attach to this Policy), will only be applied to the Deposit Premium and will not affect the Aggregate Excess. Such adjustments will be calculated at a rate equal to 60% of the total cost of the policy Deposit Premium

plus Aggregate Excess with a pro rata rate of 50% to apply.

Example:

Deposit Premium \$100,000 and Aggregate Excess \$200,000 with Assets \$15,000,000 = average 2% rate

i.e. $\$15,000,000 \times 2\% = \$300,000$

Adjustment rate = $2\% \times 60\% \times 50\% = 0.6\%$ charged as additional to the Deposit Premium

Additional assets of $\$5,000,000 \times 0.6\% = \$30,000$ additional premium

- e) Under certain circumstances, and contrary to point d), We may choose to alter the Aggregate Excess. These circumstances can include, but are not limited to, the following:

- A major asset purchase
- Acquisition of another company

Note: Aggregate Excess means the amount shown in the Schedule that You must pay as the first part of any claim(s) during the Period of Insurance until the Aggregate Excess is exhausted.

Claims Settlement Float

If Your Aggregate Excess Policy is subject to a Claims Settlement Float then all payments for repairs, third parties, assessors, investigators or any other service shall be paid direct by Us

out of the Claims Settlement Float amount, shown in the Schedule, and that You will pay to Us at the beginning of the Period of Insurance.

We will have full discretion on how the Claims Settlement Float is expended and all payments made from the Claims Settlement Float will contribute towards the erosion of the Aggregate Excess.

All payments will be gross of GST where applicable.

If the Claims Settlement Float amount paid by You to Us is a partial amount then You will pay Us the remainder upon request. Any unexpended portion of the Claims Settlement Float will be refunded to You once all known and lodged claims have been paid.

Claims Service Float

If Your Aggregate Excess Policy is subject to a Claims Service Float then all payments for assessors, investigators and other similar fees shall be paid direct by Us out of the Claims Service Float amount, shown in Your Schedule, and that You will pay to Us at the beginning of the Period of Insurance.

All payments made by Us from the Claims Service Float will be gross of GST where applicable.

All payments for repairs, third parties or other similar costs or services will be paid directly by You. A copy of all such payments will be provided to Us so these amounts may be applied towards the erosion of the Aggregate Excess.

In determining the amount to be applied towards the Aggregate Excess, the amount of the basic Excess and any other Excesses shall be deducted from the amount of the loss.

D-EC136 Laid Up

Under this condition, You are not covered for any loss, Damage or liability if at the time of the loss, Damage or liability Your Insured Item was being used for Operational Use.

This cover will apply to any Insured Item You have declared to Us and We have agreed to as being Laid Up.

Where You have declared to Us and We have agreed to a specified period for which Your Insured Item/s is Laid Up, that period agreed will be shown on Your Policy Schedule.

For the purposes of this condition, the following additional definitions are added:

Laid Up means that Your Insured Item is parked up and not being used for Operational Use.

Operational Use means the driving or operation of Your Insured Item, regardless of whether that driving or operation of Your Insured Item is for reward or income of any form or for private use or to comply with any form of contractual agreement or not.

However, Operational Use will not include You driving Your Insured Item:

- a) directly to or from a mechanic or similar repairer in order to conduct necessary servicing, maintenance or repairs and provided such driving does not exceed a 25 kilometre radius from where Your Insured Item is Laid Up. We may require a copy of the mechanic or similar repairers invoice for the work conducted in the event of a claim.
- b) in order to carry out Test Driving or Mechanical Operation of Your Insured Item provided such driving does not exceed a five kilometre radius from where Your Insured Item is Laid Up.

Test Driving means to allow another person to drive Your Insured Item for the purpose of them potentially purchasing Your Insured Item.

Mechanical Operation means to drive Your Insured Item for the purpose of circulating oils and fluids in its gearbox, differential and engine parts in order to maintain the Insured Item in working order whilst it is Laid Up.

D-EC137 Driver restriction on high value motor vehicles

We will not cover You under this Policy for any loss, Damage or liability directly or indirectly caused by, arising from or in any way connected with Your high value Motor Vehicle whilst it is being driven by or in the charge of any person under twenty-five (25) years of age. Those Motor Vehicle/s that We deem high value are noted on the Policy Schedule under "Additional Endorsements and/or Conditions applying to the Policy".

This exclusion will not apply where We have expressly agreed in writing to provide cover in respect of such a driver, or, if you can prove to our satisfaction (acting reasonably), that:

- a) the Motor Vehicle was being used without Your consent, or

- b) Your Motor Vehicle was being driven by a commercial operator You pay for repairing, parking, washing, servicing or testing Your Motor Vehicle, or
- c) Your Motor Vehicle was being used to seek urgent medical treatment.

Optional Benefits applicable to Section 1

The following Optional Benefits apply to the cover provided by the Policy when they are specified as being applicable in Your Schedule and if You have paid the additional premium that We may require.

D-EC104 – Non-owned Trailer (Liability)

We will cover You, under cover option Section 1 Part B – Liability to third parties, for Your legal liability for loss or Damage to any single trailer or combination of trailers whilst in Your possession, custody or control, provided:

- a) the trailer(s) is not owned by You, is not on hire to You; and
- b) the cover only applies to any trailer(s) which are attached to a Motor Vehicle insured under this Policy at the time of the Accident; and
- c) the cover does not apply to the contents or goods being carried in any trailer, including any clean-up costs associated with the contents or goods.

The maximum We will pay for any one Event, regardless of the number of trailers attached to Your Motor Vehicle at the time of the Event, is the Sum Insured shown in the Schedule for this Optional Benefit.

D-EC105 Dangerous Goods including diesel

The Limit of Indemnity applicable to Section 1 – Part B b) of this Policy in respect of Your Motor Vehicle being used for the transportation of Dangerous Goods is amended.

The maximum We will pay is the Limit of Indemnity shown in the Schedule for this Optional Benefit.

D-EC107 – Hire, Fare and Reward

Specific Exclusions applicable to Section 1 – 4. Hire, fare and reward is deleted from the Policy.

D-EC111 – Hook Liability – Motor Vehicle

We will cover Your legal liability for loss or Damage to someone else's vehicle, whilst in Your possession, custody or control, and whilst being towed, carried, lifted or lowered by a Motor Vehicle insured under the Policy.

The maximum We will pay for any one Event, regardless of the number of vehicles being towed, carried, lifted or lowered at the time of the Event, is the Sum Insured shown in the Schedule for this Optional Benefit.

D-EC112 – Non-owned Trailer (Comprehensive)

We will cover You, subject to the conditions and exclusions of the Policy, under cover option Part A – Loss or Damage, for loss or Damage to any single trailer or combination of trailers whilst in Your possession, custody or control, provided:

- a) the trailer(s) is not owned by You, is not on hire to You; and
- b) the cover does not extend to the contents or goods being carried in any trailer(s), but does include any clean up costs associated with the contents or goods; as covered under Part A Additional Benefit 24 Removal of Load; and
- c) the cover does not extend to losses or damage caused by or resulting from any act or omission (negligent or deliberate) by or on the part of any third parties or persons who own or hold a beneficial entitlement to the trailer (or their servants and/or agents) and are specifically provided with cover under the Policy.

We will not provide cover under this Optional Benefit unless and until any owner or beneficiary seeking to be provided or entitled to any benefit under the Policy first agree to unreservedly assign to Us all legal and/or equitable rights (including any subrogated rights) in relation to the potential recovery of any losses or Damage covered under this Optional Benefit.

The maximum We will pay for any one Event, regardless of the number of trailers in Your possession, custody or control at the time of the Event, is the Sum Insured shown in Your Schedule for this Optional Benefit.

D-EC122 – Hired In and Non-owned Mobile Plant

We will cover You for:

- a) loss or Damage and Your legal liability, within the scope of cover provided under Section 1 Parts A and B, arising from Mobile Plant hired in or borrowed by You;
- b) lost net earnings or ongoing hire charges claimed against You by the owner of the hired in or non-owned Mobile Plant up to \$10,000 any one Accident, any one Event, and in the aggregate any one Period of Insurance, unless noted otherwise on Your Schedule; and
- c) any Excess amount You are required to pay the hiring company under the hire agreement after the deduction of any applicable Excess(es) under the Policy limited to \$10,000 any one Accident.

The Basis of Settlement under Part A will be at Our option to:

- a) pay the reasonable cost to repair the hired in or non-owned Mobile Plant to its condition before the loss or Damage; or
- b) pay the owner of the hired in or non-owned Mobile Plant the Market Value if it is a Total Loss, less Our estimate of its Salvage value.

The maximum We will pay:

- a) in respect to any one item of hired in or non-owned Mobile Plant, inclusive of ongoing hiring charges, is the Limit any one Item shown in Your Schedule for this Optional Benefit; and
- b) in respect to all claims arising directly or indirectly from one Event, inclusive of ongoing hiring charges, is the Limit any one Event shown in Your Schedule for this Optional Benefit.

Provided that the hired in or non-owned Mobile Plant was in Your possession, custody or control and was being used by You in the course of Your normal Business.

We will not pay:

- a) where the hired in or non-owned Mobile Plant was on-hired or loaned to another person or company by You; or
- b) for lost net earnings or ongoing hire charges claimed against You:
 - (i) if the owner of the hired in or non-owned Mobile Plant is Your Employee or

a related company either by ownership, part ownership or similar shareholders; or

- (ii) if We deem that such lost net earnings or ongoing hire charges arose due to Your inaction or unnecessary delay; or
 - (iii) beyond the date that repairs to the hired in or non-owned Mobile Plant are completed; or
 - (iv) beyond the date We declare the hired in or non-owned Mobile Plant is uneconomical to repair; or
 - (v) beyond the date We provide Our offer of settlement in the event of theft and non-recovery of the hired in or non-owned Mobile Plant; or
 - (vi) due to delays in repairing the hired in or non-owned Mobile Plant that arose solely due to the unavailability of a part necessary for the repair;
- c) if Your legal liability or loss or Damage to the hired in or borrowed Mobile Plant is covered by any other policy of insurance and that policy has provided indemnity for the claim.

We may adjust the premium payable by You at the end of the Period of Insurance based on the difference between the amount spent by You for hiring hired in Mobile Plant during the Period of Insurance compared to the amount estimated by You at the beginning of the Period of Insurance. The difference must be paid by You or will be refunded by Us.

The following Additional benefits applicable to Section 1 Part A will not apply to this Optional Benefit:

- 2. Appreciation in Market Value;
- 17. Hire Vehicle following theft;
- 28.1. Finance Payout;
- 28.3. Sum Insured Payout/Replacement Vehicle for Total Loss.

D-EC124 – Dry Hire Damage Waiver

Notwithstanding Specific exclusions applicable to Section 1, 5. Hire out of Vehicles (Dry Hire), if at the time of loss, Damage or liability Your Insured Item was Dry Hired out and Your agreement with the hirer of Your Insured Item required You to:

- a) insure the Insured Item on behalf of the hirer; and
- b) release such hirer from liability and waive

Your rights to recover, then We agree that the Policy will not be prejudiced or invalidated by such agreement.

D-EC125 – Dry Hire Difference in Conditions – Motor Vehicle

Notwithstanding Specific exclusions applicable to Section 1, 5. Hire out of Vehicles (Dry Hire), if at the time of an Accident Your Motor Vehicle was Dry Hired out and You did not release from liability nor waive Your rights to recover from the hirer, either by verbal or written agreement, for any loss or Damage the hirer incurs, and:

- a) the hirer of Your Motor Vehicle failed to arrange and maintain a current insurance policy covering the Motor Vehicle for loss or Damage; or
- b) the coverage provided by the hirer's insurance policy was not as extensive as the coverage provided under Part A of the Policy; or
- c) the hirer did not hold the relevant licence required to drive or operate Your Motor Vehicle and You could not reasonably have known that the hirer did not hold such licence; or
- d) the hirer was under the influence of alcohol or drugs and You could not reasonably have known that the hirer was under the influence; or
- e) the hirer deliberately or recklessly overloaded or incorrectly loaded Your Motor Vehicle, then We will pay for losses arising there from, limited to the difference in cover provided by such other policy and the cover provided by the Policy where applicable.

D-EC126 – Hold Harmless

If You enter into an agreement with another party and that agreement requires that You will Indemnify and/or hold harmless and/or release from liability such other party in respect of any Event covered by the Policy, We agree that this Policy will not be prejudiced or invalidated by You agreeing to such provisions and that the Indemnity and/or hold harmless and/or release from liability given by You will be equally binding upon Us.

D-EC127 – Loan Repayment Protection – Mobile Plant

If We have accepted a claim for Your Mobile Plant under Section 1 Part A of the Policy We will also cover You for lease or other valid financial agreement repayments that become due and payable for the Mobile Plant that is the subject of the claim but limited to \$25,000 any one Accident and \$50,000 in the aggregate for all covered losses during the Period of Insurance.

This cover commences 7 days from the time You notify Us of Your claim and provide Us with access to Your Mobile Plant and ceases immediately when:

- a) the repairs to Your Mobile Plant are completed but subject to a maximum of 6 months; or
- b) We declare Your Mobile Plant a Total Loss; or
- c) We offer settlement to You where Your Mobile Plant has been stolen and is unrecovered.

We will not pay:

- a) any lease or other valid finance agreement repayments that are in arrears; or
- b) any balloon or residual repayments; or
- c) any fees or penalties.

You must:

- a) provide Us with all documentary evidence for Your lease or other valid finance agreement that We reasonably request; and
- b) take all reasonable steps to minimise the period of disruption.

D-EC128 – Temporary Hire – Mobile Plant

If We have accepted a claim for Your Mobile Plant under Section 1 Part A of the Policy We will also cover You for the hire costs incurred in temporarily hiring a similar or like kind Mobile Plant but limited to \$25,000 any one Accident and \$50,000 in the aggregate for all covered losses during the Period of Insurance.

This cover commences 7 days from the time You notify Us of Your claim and provide Us with access to Your Mobile Plant and ceases immediately when:

- a) the repairs to Your Mobile Plant are completed but subject to a maximum of 6 months; or
- b) We declare Your Mobile Plant a Total Loss; or
- c) We offer settlement to You where Your

Mobile Plant has been stolen and is unrecovered.

This cover:

- a) is restricted to the reimbursement of the daily hire costs including any loading for damage waiver but excluding any other fees or costs relating to maintenance, fuel, oil, other fluids or lubricants, wear and tear, transportation or mobilisation, loss or Damage; and
- b) does not apply to any Mobile Plant covered under Optional Benefit D-EC122 Hired In and Non-owned Mobile Plant.

D-EC131 Hired in and Non-Owned Mobile Plant & Motor Vehicle

We will cover You for:

- a) loss or Damage and Your legal Liability, within the scope of cover provided under Parts A and B of Your Policy, arising from Mobile Plant or a Motor Vehicle hired in or borrowed by You; and
- b) lost net earnings or ongoing hire charges claimed against You by the owner of the hired in or non-owned Mobile Plant or Motor Vehicle up to \$10,000 any one Accident, any one Event, and in the aggregate any one Period of Insurance, unless noted otherwise on Your Schedule; and
- c) any Excess amount You are required to pay the hiring company under a hire agreement after the deduction of any applicable Excesses under this Policy but limited to \$10,000 any one Accident.

The basis of settlement under Part A will be at Our option (acting reasonably) to:

- a) pay the reasonable cost to repair the hired in or non-owned Mobile Plant or Motor Vehicle to its condition before the loss or Damage; or
- b) pay the owner of the hired in or non-owned Mobile Plant or Motor Vehicle the Market Value if it is a Total Loss, less Our estimate of its salvage value.

The maximum We will pay:

- a) in respect to any one item of hired in or non-owned Mobile Plant or Motor Vehicle, inclusive of ongoing hiring charges is the Limit any one item shown in Your Schedule for this Optional Benefit, and
- b) in respect to all claims arising directly or indirectly from one Event, inclusive of

ongoing hiring charges is the Limit any one Event shown in Your Schedule for this Optional Benefit,

Provided that the hired in or non-owned Mobile Plant or Motor Vehicle was in Your possession, custody or control and was being used by You in the course of Your normal business.

We will not pay:

- a) where the hired in or non-owned Mobile Plant or Motor Vehicle was on hired or loaned to another person or company by You; or
- b) for lost net earnings or ongoing hire charges claimed against You:
 - (i) if the owner of the hired in or non-owned Mobile Plant or Motor Vehicle is Your Employee or a related company either by ownership, part ownership or similar shareholders; or
 - (ii) if We deem that such lost net earnings or ongoing hire charges arose due to Your inaction or unnecessary delay; or
 - (iii) beyond the date that repairs to the hired in or non-owned Mobile Plant or Motor Vehicle are completed; or
 - (iv) beyond the date that We declare the hired in or non-owned Mobile Plant or Motor Vehicle is uneconomical to repair; or
 - (v) beyond the date We provide Our offer of settlement in the event of theft and non-recovery of the hired in or non-owned Mobile Plant or Motor Vehicle; or
 - (vi) due to delays in repairing the hired in or non-owned Mobile Plant or Motor Vehicle that arose solely due to the unavailability of a part necessary for the repair;
- c) if Your legal liability or loss or Damage to the hired in or non-owned Mobile Plant or Motor Vehicle is covered by any other policy of insurance and that policy has provided indemnity for the claim.

We may adjust the premium payable by You at the end of the Period of Insurance based on the difference between the amount spent by You for hiring in Mobile Plant or Motor Vehicles during the Period of Insurance compared to the amount estimated by You at the beginning of the Period of Insurance. The difference must be paid by You or will be refunded by Us.

The following Additional Benefits applicable to Part A will not apply to this Optional Benefit:

- 2. Appreciation in Market Value
- 17. Hire vehicle following theft
- 28.1 Finance payout for Total Loss
- 28.2 New Motor Vehicle replacement for Total Loss

Section 2 – Business interruption (Downtime)

The Cover

Where this cover section is shown as insured in Your Policy Schedule, if Your Motor Vehicle is the subject of a claim We have agreed to pay under cover Section 1 Part A of the Policy, We will pay You in accordance with the Basis of Settlement for Your loss of income whilst Your Motor Vehicle is inoperative, during the Period of Insurance.

Definitions applicable to Section 2

Daily Indemnity Rate means the monthly Indemnity amount shown in Your Policy Schedule divided by 30 days for each month of cover applicable.

Deferment Period means the period of time shown in Your Policy Schedule during which no payment will be made by Us.

Indemnity Period means the period of time commencing immediately after expiration of the Deferment Period and during which period We will pay You the Daily Indemnity Rate.

Total Loss means where Your Motor Vehicle is stolen and not recovered within a reasonable period of time, or suffers loss or Damage and We consider the cost of repairing it is either unsafe or uneconomical.

Limit of Indemnity applicable to Section 2

We will pay You in accordance with the applicable Basis of Settlement the Daily Indemnity Rate up to the Sum Insured shown in Your Policy Schedule.

Basis of Settlement applicable to Section 2

Subject to the Policy conditions, exclusions and Limit of Indemnity and after expiration of the Deferment Period We will pay You the Daily Indemnity Rate for the number of days Your Motor Vehicle is inoperative, if:

- a) Your Motor Vehicle suffers Damage and is considered by Us to be repairable, the Indemnity Period commences from the date Your Motor Vehicle arrives at the repairer where We authorise repairs and ceases on the date the repairer states Your Motor Vehicle has been repaired; or
- b) Your Motor Vehicle is considered by Us to be a Total Loss cover ceases on the date We notify You of Our intention to settle Your claim as a Total Loss; or
- c) Your Motor Vehicle is stolen and not recovered We will pay You the Daily Indemnity Rate for a period of up to 15 days after expiration of the Deferment Period.

We will not pay more than the Limit of Indemnity, or exceed the Indemnity Period, for the nominated Motor Vehicle shown in Your Policy Schedule.

Specific conditions applicable to Section 2

If You do not meet these Specific Conditions, We may to the extent permitted by law cancel Your Policy and/or reduce or refuse to pay a claim, to the Our interests are prejudiced by Your noncompliance.

- a) if Your Motor Vehicle is removed from cover under Section 1 of this Policy, then cover under this Section 2 is cancelled and We will refund premium in accordance with Cancellation rights under the Policy; or
- b) if Your Motor Vehicle is settled as a Total Loss under Section 1 Part A of this Policy, then cover for that Motor Vehicle under this Section 2 is cancelled without refund of any premium.

Specific exclusions applicable to Section 2

We will not cover:

1. Deferment Period

any loss or Damage which occurs within the Deferment Period.

2. Non repair/replacement

any loss where You have made the decision not to repair or replace Your Motor Vehicle.

3. Modifications

any loss incurred for any overhauls, inspections or modifications performed on Your Motor Vehicle whether carried out in conjunction with the repairs to Your Motor Vehicle or not.

4. Fines and penalties

any fines, penalties or loss resulting from a breach of contract whether or not as a result of or attributable to the loss or Damage to Your Motor Vehicle.

5. Liquidation or receivership

any loss attributable to any Business of Yours being wound up or carried on by a liquidator or receiver or otherwise being permanently discontinued.

Section 3 – Public and Products liability

Definitions applicable to Section 3

Advertising Injury means any unintentional:

- a) defamation;
- b) infringement of copyright, title or slogan;
- c) piracy;
- d) unfair competition;
- e) idea misappropriation;
- f) invasion of rights of privacy; or
- g) breach of misleading or deceptive conduct provisions of any consumer protection legislation or similar legislation of any country, state or territory,

committed or alleged to have been committed during the Period of Insurance in any communication given to the public in any form of print media, publication, telecommunication, radio, television, internet or other forms of electronic communication and arising out of Your advertising activities in connection with

Your Business or Your Products.

Aircraft means any vessel, craft or device made or intended to fly or move in or through the atmosphere or space other than model aircraft or unmanned inflatable balloons used for advertising or promotional purposes.

Business means the activities and operations stated in the Schedule including:

- a) the ownership and occupation of premises, including repair and maintenance of property owned or for which You are responsible;
- b) any prior business activities which have ceased or have been disposed of but for which You have retained legal liability;
- c) participation in exhibitions;
- d) the provision or management of canteen, social, sports, welfare or child care services or activities for Your Employees and internal first aid, fire, security and ambulance services;
- e) construction of or alteration, not exceeding a cost of \$500,000 to buildings owned by You;
- f) private work undertaken by Your Employees for any of Your directors or executives provided they are appropriately qualified to undertake such work; and
- g) hire or loan of plant, equipment or goods.

Communicable Disease means any:

- a) disease infectious in humans forming part of the Listed Human Diseases under, or is the subject of a Human Biosecurity Emergency under, the *Biosecurity Act 2015 (Cth)* and any of its subsequent amendments or any similar such listing or declarations of diseases under any subsequent statute that repeals and replaces the *Biosecurity Act 2015 (Cth)* in whole or part, whether or not such declaration has taken place before or after inception of this policy;
- b) disease infectious in humans forming part of the Quarantinable Infectious Diseases as defined under the *Health Act 1956 (NZ)* and any of its subsequent amendments or any similar such listing of diseases under any subsequent statute that repeals and replaces the *Health Act 1956 (NZ)* in whole or part, whether or not such declaration has taken place before or after inception of this policy; or
- c) pandemic or epidemic, as declared as such by the World Health Organisation.

Compensation means monies paid or payable by judgment or settlement together with any liability on Your behalf to pay legal costs and expenses (other than those amounts referred to in Supplementary payments applicable to Section 3) for:

- a) Personal Injury; or
- b) Property Damage; or
- c) Advertising Injury;

in respect of which this insurance applies.

Electronic Data means facts, concepts and information converted to a form usable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instruction for such equipment.

Employment Practices means any act which is considered wrongful or unfair dismissal, denial of natural justice, defamatory or misleading representation or advertising and sexual harassment or discrimination but only as it applies with respect to employment or prospective employment by You of a person as an Employee or prospective Employee whether full, part time or casual including any engaged for volunteer and work experience.

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

Incidental Contracts means:

- a) any written rental agreement or lease of real property which does not impose on You:
 - (i) an obligation to insure such property; or
 - (ii) any liability regardless of fault;
- b) any written contract with any public authority for the supply of water, gas, electricity, waste or sewerage removal services but only to the extent of indemnifying any such authority for liability arising out of Your Business and excepting contracts for the performance of work or provision of services by You;
- c) any written contract with any railway authority or other independent carrier for the loading, unloading and/or transport of any Product including contracts relating to the operation of railway sidings.

Internet Operations means Your internet operations including, but not limited to:

- a) use of electronic mail systems by You and on

Your behalf;

- b) access through Your network to the worldwide web or a public internet site by You or on Your behalf;
- c) access to Your intranet which is made available through the worldwide web for Your customers or others outside Your organisation;
- d) the operation and maintenance of Your website.

Loss of Consortium means loss of companionship, comfort, spouse society or sexual relations claimed by the husband or wife or de facto partner of any person who sustains Personal Injury but not including claims for emotional distress suffered by, or loss of domestic or household support services provided to, any relative of the person who sustains the Personal Injury.

Medical Persons means legally-qualified, enrolled and registered medical practitioners, legally-qualified registered nurses, dentists and first aid attendants.

Non-Manual Sales Representatives means Your agents, servants or Employees who are involved solely in the marketing of Your Products, but does not mean any such person who undertakes the manufacture, maintenance or repair of Your Products, whether or not such activities are incidental to the marketing of Your Products.

Occurrence means any Event including continuous or repeated exposure to substantially the same general conditions which results in Personal Injury, Property Damage or Advertising Injury neither expected nor intended from Your standpoint.

With respect to Personal Injury or Property Damage all Events of a series that are consequent on or attributable to one source or original cause are deemed one Occurrence under this Section.

All Advertising Injury arising out of the same injurious material or act (regardless of the frequency or repetition thereof, the number and kind of media used or the number of claimants) shall be deemed to be one Occurrence under this Section.

Personal Injury means:

- a) death, bodily injury, illness, sickness, disease, disability, Loss of Consortium, shock, fright, mental anguish and mental injury;

- b) false arrest, wrongful detention or imprisonment, malicious prosecution and humiliation;
- c) wrongful entry or wrongful eviction or other invasion to the right to private occupancy;
- d) assault or battery not committed by or at the direction of You unless committed for the purpose of preventing or eliminating danger to persons or property;
- e) the publication or utterance of a statement that is libelous or slanderous or of other defamatory or derogatory material or publication or utterance in violation of any individual's right of privacy except:
 - (i) when the first such publication or utterance is related to any publication or utterance made prior to the commencement of the Policy; or
 - (ii) when any such publication or utterance is made in the course of or is related to advertising, broadcasting, telecasting or publishing activities conducted by or on Your behalf;

which occurs during the Period of Insurance.

Products means anything (after it has ceased to be in Your physical possession or under Your control) manufactured or deemed to have been manufactured, constructed, grown, extracted, produced, processed, assembled, erected, installed, repaired, serviced, treated, sold, renovated, imported, exported, supplied (including services) or distributed by You (including any labelling, packing materials, instructions and directions associated therewith) and any container (other than a Vehicle associated with such container).

Property Damage means:

- a) physical Damage to, physical loss of or physical destruction of tangible property that occurs during the Period of Insurance, including any resultant loss of use; or
- b) loss of use of tangible property that has not been physically Damaged, physically lost or physically destroyed, provided such loss of use is caused by physical Damage to, physical loss of or physical destruction of other tangible property that occurs during the Period of Insurance.

Recall means a voluntary, legally or legislatively compelled process to regain possession or control of Products through the issuance of a public notice that outlines a potential injurious or harmful nature of a Product or other goods manufactured, sold or supplied by You and which:

- a) requests the return of the Product to You; or
- b) recommends or instructs cessation of use and/or disposal of the Product.

Territorial Limits means:

- a) the geographical area anywhere within Australia or its external territories;
- b) the geographical areas elsewhere in the world but only in respect of:
 - (i) travelling executives or Non-Manual Sales Representatives who are normally resident in Australia;
 - (ii) Your Products exported to anywhere in the world except the United States of America or Canada or any country, territory or protectorate to which the laws of the United States of America or Canada apply.

Tool of Trade means a Vehicle which has any tool or plant forming part of or attached to or used in connection with it while such tool or plant is in operation for the purpose of the Business, but does not include:

- a) Vehicles while in transit to or from or within any place of work; or
- b) Vehicles used for transport or haulage.

Vehicle means any type of machine on wheels or on 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.

Watercraft means any vessel, craft or thing (other than a Hovercraft) made or intended to float on or in or travel on or through water.

Worker means any person employed by You or deemed to be employed by You pursuant to any law.

Workers Compensation Law means any law relating to compensation for injury to Workers or Employees.

You or Your means:

- a) those named as the Insured in Your Policy Schedule;
- b) any subsidiary companies of clause a. above, existing at the commencement date of the Period of Insurance as shown in Your Schedule, whose place of incorporation is within Australia or its external territories;
- c) (i) any company acquired by, and whose operations are controlled and managed by, You or a company referred to in clause b. above during the Period of

Insurance as a result of consolidation, merger or purchase;

- (ii) any subsidiary company that is incorporated by You or by a company referred to in clause b) above, during the Period of Insurance.

Provided that:

- (i) any such acquisition or incorporation is notified to Us within 90 days; and
 - (ii) the newly acquired or incorporated company conducts the same type of business as Your Business; and
 - (iii) the newly acquired or incorporated company is incorporated within Australia or its external territories; and
 - (iv) We give You notice that such new organisation will be covered by the Policy and You pay Us any extra premium that We may require to include such new organisation;
- d) any past, present or future director, executive officer, Employee, voluntary Worker, work experience person (including the personal representative of any director, executive, officer, Employee, voluntary Worker or work experience person), partner or shareholder of You or a company referred to in clauses b) or c) above, but only while acting within the scope of their duties in such capacity. With respect to any director or executive officer of You or a company referred to in clauses b) or c) cover will also extend to private work undertaken by Employees or voluntary Workers for and on behalf of the directors or executive officers;
 - e) any principal in respect of the liability of such principal arising out of the performance by You or a company referred to in clauses b) or c) above, of any contract or agreement for the performance of work for such principal but only to the extent required by such contract or agreement, and limited always to the extent of cover and Limit of Indemnity provided in Your Policy Schedule; and
 - f) any office bearer or member of a social and/or sporting club, canteen, welfare or childcare organisation or first aid, fire or ambulance service formed with the consent of any of the parties in clauses a), b), c) or d) above and which is incidental to Your Business.

The Cover

Subject to the application of the Policy's terms, definitions, exclusions, conditions and any endorsements attaching to the Policy We agree to pay all sums, up to the Limit of Indemnity, which You become legally liable to pay as Compensation in respect of:

- a) Personal Injury; or
- b) Property Damage; or
- c) Advertising Injury,

that happens during the Period of Insurance as a result of an Occurrence within the Territorial Limits and in connection with Your Business or Your Products.

In order to be sure that You are covered under this policy You should always contact Us for approval before You incur costs You wish to claim. If You do not, We will pay for costs incurred up to the amount We would have authorised had You asked Us first.

Limit of Indemnity applicable to Section 3

Is the amount stated in Your Policy Schedule. This is the maximum amount We will pay for any claim or claims arising from one Occurrence, provided that, for all legal liability directly or indirectly arising out of or in any way related to Your Products, Our total aggregate liability during any one Period of Insurance will not exceed the Limit of Indemnity. The Limit of Indemnity is inclusive of and not additional to any applicable Excess.

You must pay the amount shown in Your Schedule as the Excess.

Supplementary payments applicable to Section 3

With respect to claims for which Indemnity has been granted under the cover, We will pay in addition to the Limit of Indemnity:

- a) all reasonable legal defence costs and expenses and claim preparation expenses incurred by Us or by You with Our written consent;
- b) all interest accruing on Our portion of any judgment until We have paid, tendered or deposited in court that part of such judgment which does not exceed the Limit

of Indemnity;

- c) legal costs and expenses for representation at any coronial inquest or accident enquiry incurred by You with Our written consent;
- d) premium on appeal bonds or security for costs but We will have no obligation to apply for or furnish any such bond or security;
- e) premium on bonds to release attachments for amounts not exceeding the Limit of Indemnity but We will have no obligation to apply for or furnish any such bond or security;
- f) all reasonable expenses incurred by You for rendering first aid or other medical service to others at the time of a Personal Injury other than the payment of any medical expense which We are prevented by law from paying;
- g) costs incurred for the temporary protection of property including temporary repairs or protection of property of others that has been Damaged as a result of an Occurrence which is the subject of Indemnity under this Section 3 of the Policy.

However, payment of supplementary payments is subject to the following:

- a) We may, at Our absolute discretion, choose to pay You the Limit of Indemnity where We consider that the Limit of Indemnity is likely to be exhausted by payment of Compensation. If We choose to do this We will have no further obligation to pay any supplementary payments or to defend any suit on Your behalf;
- b) if a payment exceeding the Limit of Indemnity has to be made to dispose of a claim Our liability for any supplementary payments We are obliged to pay is limited to the proportion that the Limit of Indemnity bears to that payment;
- c) in the event that Indemnity is granted under this Section 3 of the Policy in respect of an action against You in any Court or before any other legally constituted body in the United States of America, Canada or their respective protectorates and territories, the total amount payable by Us will be no greater than the Limit of Indemnity including supplementary payments and defence costs incurred by You or on Your behalf;
- d) in jurisdictions where We may not legally be permitted to, or cannot for any other reason,

defend any claim or suit against You We will pay any defence costs incurred with Our consent.

Specific exclusions applicable to Section 3

We will not cover:

1. Advertising Injury

any Advertising Injury caused by or resulting from:

- a) failure of performance of any contract. This does not apply to claims for unauthorised appropriation of ideas based upon breach of an implied contract; or
- b) infringement of trade mark, service mark or trade name. This does not apply to titles or slogans; or
- c) incorrect description of any good or Product; or
- d) mistake in advertised price; or
- e) any publication, utterance or testimonial used or made at Your direction and with Your knowledge of the inaccuracy or falsity of the publication, utterance or testimonial; or
- f) the failure of Your Products or services to conform with advertised performance, quality, fitness or durability; or
- g) Your Business if Your principal Business or occupation is advertising, broadcasting, publishing or telecasting.

2. Aircraft, Hovercraft

any liability directly or indirectly arising out of or in any way connected with:

- a) the ownership, possession, maintenance, repair, navigation, operation or Use by You or on Your behalf; or
- b) any of Your Products which are incorporated into the structure, machinery or controls; of any Aircraft or Hovercraft.

3. Assault and battery

any liability directly or indirectly arising out of or in any way connected with assault and/or battery committed by You or at Your direction.

This Specific Exclusion will not apply when such assault and/or battery is committed for the purpose of preventing Personal Injury or Property Damage or eliminating danger to a person.

4. Contractual liability

any liability assumed under any contract or agreement. This Specific Exclusion does not apply to:

- a) liability that would have been implied by law in the absence of such contract or agreement;
- b) liability assumed by You under a warranty of fitness or quality regarding Your Products;
- c) those written contracts shown in the Schedule; or
- d) liability assumed under Incidental Contracts.

5. Damage to Product

Property Damage to:

- a) any Product resulting from or attributable to any defect therein or the harmful nature or unsuitability thereof provided that this Specific Exclusion is limited to only that part of the Product which is considered defective, harmful or unsuitable;
- b) any part of any property that must be repaired, reconditioned or replaced by reason of incorrect work performed by You or on Your behalf or by reason of materials or equipment which are or are proved to be defective or inadequate in connection with such work provided this Specific Exclusion will not apply to Property Damage resulting from such work.

6. Dangerous Goods

any liability caused by or arising out of or in connection with the storage, transportation or handling of Dangerous Goods.

This Specific Exclusion will not apply to packaged substances or materials codified under the Australian Dangerous Goods Code provided the goods are packaged, stored, transported or handled in compliance with the Australian Dangerous Good Code.

7. Defamation, libel and slander

any liability directly or indirectly arising out of or in any way connected with the publication or utterance of any libelous, slanderous, defamatory or disparaging material:

- a) made prior to the commencement of the Period of Insurance;
- b) made at Your direction or with Your authority and with knowledge of its falsity.

8. Electronic Data

- a) the communication, display, distribution or publication of Electronic Data provided that this Specific Exclusion does not apply to Personal Injury or Advertising Injury;
- b) the total or partial destruction, distortion, erasure, corruption, alteration, misrepresentation or misappropriation of Electronic Data;
- c) an error in creating, amending, entering, deleting or using Electronic Data; or
- d) the total or partial inability or failure to receive, send, access or use Electronic Data for any time or at all.

9. Employer's liability

any liability for Personal Injury to any Worker:

- a) if You are required by law to insure or otherwise fund, whether through self insurance, statutory fund or other statutory scheme, all or part of any common law liability (whether limited or not) for such Personal Injury; or
- b) imposed by:
 - (i) any Workers Compensation Law;
 - (ii) the provisions of any industrial award or 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;
 - (iii) any law relating to Employment Practices.

10. Erections, alterations and additions

any liability directly or indirectly arising out of or in any way connected with, the construction, erection, alteration, demolition of and/or addition to buildings by You or on Your behalf.

This Specific Exclusion will not apply to any alteration of or addition to buildings owned and/or occupied by You where the cost of such alterations or additions does not exceed \$500,000.

11. Faulty workmanship

any liability for the cost or expenses incurred in performing, re-performing, completing, re-completing, correcting or improving any work or service undertaken or provided by You or on Your behalf. But this exclusion does not apply to Property Damage resulting from such work.

12. Loss of use

any liability for loss of the use of tangible property (not having been physically Damaged or destroyed) directly or indirectly arising out of or in any way connected with:

- a) a delay in or lack of performance by You or on Your behalf in relation to any contract or agreement; or
- b) the failure of Your Products to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by You. Provided this Specific Exclusion does not apply to the loss of use of other tangible property resulting from the sudden and accidental physical Damage to or destruction of Your Products after such Products have been put to use by any person or organisation other than You.

13. Molestation

any liability directly or indirectly arising out of or in any way connected with any actual or alleged sexual and/or child assault, abuse or molestation or any attempt thereof. This exclusion also applies to remove any duty to defend You or pay any costs associated with the defence of any action, suit, proceeding, investigation or inquiry in connection therewith.

14. More specific policy cover section

any liability for which indemnity is provided (whether You have selected that cover section or not), or would have been provided but for any applicable excess, under a more specific policy shown as such in Your Policy Schedule.

15. Participation

any liability for Personal Injury to any person or Property Damage to the property of any person directly or indirectly arising out of or in any way connected with the actual participation of such person in any sport, exercise or activity such as but not limited to rally driving, motor racing, any Vehicle activity on a race track, competitive motor sports, aerobics, athletics, football, aquatic, aerial or equestrian activity.

The term 'participation' as used in this Specific Exclusion includes the participation, training or practice of, supervision or control of such activities.

Provided this Specific Exclusion does not apply to Personal Injury or Property Damage caused by any fault or defect in equipment provided by You at any situation owned and/or occupied by You for the purpose of Your Business.

16. Penalties, liquidated damages, punitive, exemplary and/or aggravated damages

Any liability for fines or penalties imposed by law or liquidated, punitive, exemplary, aggravated damages and any additional damages resulting from the multiplication of compensatory damages.

17. Pollution

any liability directly or indirectly arising out of or in any way connected with:

- a) the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of Pollutants.

This Specific Exclusion 16. a) will not apply to liability for Personal Injury or Property Damage where such discharge, dispersal, release or escape is caused by a sudden, identifiable, unintended and unexpected happening which takes place in its entirety at a specific time and place;

- b) the testing, monitoring, cleaning up, removal, containment, treatment, detoxifying or neutralising of Pollutants, whether or not any of the foregoing are or should be performed by You or by others;
- c) the actual, alleged or threatened discharge, dispersal, release or escape of Pollutants caused by any Products that have been discarded, dumped, abandoned or thrown away by others;
- d) the actual, alleged or threatened discharge, dispersal, release or escape of Pollutants in the United States of America or Canada or in any country to which the laws of the United States of America or Canada apply; or
- e) the prevention of escape of Pollutants from any premises owned or operated by You or on which You have property or conduct Your Business.

18. Product guarantee or warranty

any liability for Product guarantee or warranty given by You or on Your behalf provided this Specific Exclusion does not apply to legislative requirements concerning Product safety and information.

19. Product Recall

directly or indirectly arising out of or in any way connected with the Recall, removal, withdrawal, adjustment, inspection, repair, reconditioning, replacement or loss of use of Your Products or any property of which such Products form a part if they are withdrawn from the market or from use because of any known or suspected defect or deficiency in them.

20. Professional advice or service

any liability directly or indirectly arising out of or in any way connected with the provision by You, or any one on Your behalf, of professional advice or any error or omission connected therewith provided this Specific Exclusion does not apply to:

- a) the rendering of or failure to render medical advice by Medical Persons employed by You to provide first aid and other medical services on Your premises, other than where Your Business involves the provision of professional medical services or advice (which includes dental and veterinary services and advice) and the provision or sale of medication or other medical equipment, prosthetics, aids or devices of any description;
- b) Personal Injury or Property Damage where such professional advice or service is not given or provided for any remuneration, such as a fee or commission; or
- c) arising from advice given in respect of the use or storage of Your Products.

21. Property in Your physical or legal control

any liability for Property Damage to:

- a) property owned by, or leased or rented to, You;
- b) property in Your physical or legal control.

Provided this Specific Exclusion will not apply to liability for Property Damage to:

- (i) buildings which are leased or rented to You;
- (ii) buildings, including their contents, not owned, leased or rented to You but temporarily occupied by You for the purpose of carrying out work in connection with Your Business, but We will not pay for Property Damage to that part of the property on which You are or have been working which arises out of such work;

- (iii) Vehicles, not belonging to or used by You or on Your behalf, in Your physical or legal control and where such Property Damage occurs while any such Vehicles are in a car park which is not owned or operated for reward by You as part of Your Business;
- (iv) property belonging to visitors or Your directors and Employees;
- (v) property in Your physical or legal control, including property held by You at any storage or distribution facility incidental to transit, (except whilst in the course of transit or being loaded or unloaded, or while undergoing any process or being worked upon), for which You have not assumed any responsibility to obtain insurance.

Our liability under this proviso (v) will be limited to the amount specified in Your Policy Schedule as Property in Physical or Legal Control, in the aggregate in respect of any one Period of Insurance and will be subject to the Excess shown in Your Policy Schedule.

22. Radioactivity

ionizing radiation or contamination by radioactivity from any nuclear fuel, weapon or waste whether occurring naturally or otherwise; the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof; or the storage, transport, assembly, disassembly, maintenance or operation of any nuclear weapon or nuclear component thereof.

23. Vehicles

any liability directly or indirectly arising out of or in any way connected with the ownership, possession, operation, use or legal control by You or on Your behalf of any Vehicle:

- a) which is registered or is required under any legislation to be registered.

This Specific Exclusion 23. a) will not apply to:

- (i) liability for Personal Injury or Property Damage arising beyond the limits of any carriageway or thoroughfare or caused by the loading or unloading of any Vehicle or trailer;

- (ii) liability for Personal Injury or Property Damage arising from the use of any Vehicle as a Tool of Trade, where such liability is required by virtue of any legislation to be insured under a policy of bodily injury insurance.

- b) where such liability is required by virtue of any legislation to be insured under a policy of bodily injury.

24. Watercraft

any liability directly or indirectly arising out of or in any way connected with the ownership, possession, operation, navigation or use by You or on Your behalf of any Watercraft, the hull of which exceeds 10 metres in length.

Provided this Specific Exclusion does not apply to Watercraft:

- a) which You do not own or operate; and
- b) under the control of a licenced and qualified person for the type of vessel; and
- c) that has been hired or otherwise engaged by You for business entertainment purposes.

25. Welding and allied processes

any liability directly or indirectly arising out of or in any way connected with, You or other persons working on Your behalf not having strictly complied with the Australian Standard 1674.1-1997 'Safety in welding and allied processes – Fire precautions' as set out in the Standard (or any equivalent or replacement thereof), when involved in welding, thermal or oxygen cutting or heating or other related heat-producing or spark-producing operations.

26. Communicable Diseases

any liability in respect of any claims or costs arising out of any actual or alleged loss, liability, damage, compensation, loss of use, loss of profit, injury, sickness, disease, death, medical payment, defence cost, inquest cost, accident enquiry, cost, expense or any other amount incurred either directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease or the actual or alleged transmission of a Communicable Disease.

Specific conditions applicable to Section 3

If You do not meet these Specific Conditions We may to the extent permitted by law cancel Your Policy and/or reduce or refuse to pay a claim to the extent We are prejudiced by Your noncompliance.

1. Changes

If You know or ought reasonably to have known of any changes to the facts or circumstances which existed when this insurance commenced that change the nature of the risk or is relevant to Our decision to insure You and the terms on which We insure You, You must notify Us in writing. If We agree to the change We will do so in writing and You must pay Us any additional premium We may require. We may cancel Your policy if there is a change and We can't reach an agreement with You on altered terms and conditions or premium; or We are no longer prepared to insure You because there has been a material change to the risk.

2. Assignment

Assignment of an interest under Section 3 of the Policy does not bind Us until Our consent is endorsed on the Policy. We will not unreasonably withhold Our consent.

If You die or are adjudged bankrupt or insolvent Section 3 of the Policy will cover:

- a) Your legal representative acting on behalf of Your estate;
- b) any person or corporation having lawful temporary custody of property which is or was before Your death owned or possessed by You until the appointment of a legal representative.

3. Subrogation Rights

In the event of any payment under Section 3 of the Policy We will be subrogated to all Your rights of recovery against any person or organisation and You shall execute and deliver any appropriate instruments and papers and do whatever else reasonably is necessary to secure such rights. Any amount so recovered shall be applied in accordance with the provisions of s.67 of the Insurance Contracts Act 1984 (including amendments thereto).

We agree to waive all rights of subrogation under Section 3 of the Policy against each of the parties defined as You. However, where a party included in the definition of You is protected from liability insured under Section 3 of the Policy by any other policy of insurance or indemnity then Our subrogation rights are not waived to the extent and up to the amount of cover provided by such other policy of insurance or indemnity.

4. Cross Liability

Where You are comprised of more than one entity the term You will be considered as applying to each entity in the same manner as though a separate Policy had been issued to each entity, provided that Our Limit of Indemnity and liability to make supplementary payments will apply as though there were not separate policies issued to each entity.

Optional benefit applicable to Section 3

The following Optional Benefit to the cover provided by this policy only applies if it is noted as being applicable in Your Policy Schedule.

PEC001 Passengers Luggage

It is hereby agreed and declared that Section 3 Specific Exclusion 21. (v) of the Policy is amended to provide cover in respect of passengers personal effects and baggage whilst being conveyed in any licensed bus, coach or taxi including whilst being loaded or unloaded from Your Vehicle.

The maximum We will pay is subject to the Limit of Indemnity for this Optional Benefit shown in Your Policy Schedule, and You must pay the Excess specified in Your Policy Schedule.

Section 4 – Carriers Transit

The Cover

In order to be sure that You are covered under this policy You should always contact Us for approval before You incur costs You wish to claim. If You do not, We will pay for costs incurred up to the amount We would have authorised had You asked Us first.

Where this Section is selected and is noted as being insured in Your Policy Schedule, We will provide cover on the basis of the Cover Option selected and in respect of covered loss, Damage or liability for Goods and/or Livestock carried by You, whilst in Transit during the Period of Insurance and whilst Your Conveying Vehicle is operating within the Territorial Limits.

The following Cover Options are available under this cover section:

1. Part A – Carriers Legal Liability; or
2. Part B – Accidental Damage; or
3. Part C – Specified Perils.

You may select more than one Cover Option, but if You have cover under any two, or all three Cover Options (Parts A, B and/or C of this Section 4), You may only claim under one Part/Cover Option for any one loss or series of losses arising from the same Insured Event.

Definitions applicable to Section 4

Accident means an unexpected, unforeseen or unintended incident involving Your Goods or Livestock.

Accidental Damage means Damage as the consequence of an Accident.

Approved Terms and Conditions means:

- a) Your Terms and Conditions of cartage declared to and approved by Us prior to the commencement of Transit; or
- b) Where You are acting as a Subcontractor to a Principal Carrier:
 - (i) the subcontract agreement between You and the Principal Carrier and the Terms and Conditions issued by the Principal Carrier to the owner, consignee, shipper or consignor and/or party that brings the claim against You both of which have previously been

declared to and approved by Us; or

- (ii) where the Principal Carrier has bound the owner, consignee, shipper or consignor and/or party that brings the claim against You to Terms and Conditions that contain at least the same level of immunity, indemnity, protection, limitation and defence as Your own Approved Terms and Conditions and:
 - include a provision that extends the benefits of the Terms and Conditions to the Principal Carrier's Subcontractors, servants and agents (which includes You); and
 - this immunity, protection, limitation and defence provided to You has not been overridden by any term contained in any contract agreed between You and the Principal Carrier.

Conveying Vehicle means any mode of transport, used by You to transport the Goods, whether owned by You or a Subcontractor.

Consequential Loss means:

- a) loss of profit incurred; or
- b) increased costs incurred to avoid or minimise a loss of profit; and/or
- c) any other special costs incurred;

by Your Customer as the direct consequence of loss or Damage to Goods during Transit or where use of the Goods has been impaired or made impossible as a result of loss or Damage during Transit.

Customer means the entity for which You provide Your services.

Deliberate Third Party Act means the deliberate act of any party other than You which was committed without Your knowledge or connivance provided this has not resulted from Your lack of due diligence.

This includes deliberate Damage by Federal, State or Local authorities exercising their rights under current legislation in order to prevent or minimise an environmental hazard/pollution resulting from an Event.

Due Care means the exercising by You of appropriate levels of prudence and caution in:

- a) the selection of, and provision of handling instructions to, third party transport service providers/contractors;

- b) the selection of packaging appropriate to protect the Goods where this is organised by You;
- c) the handling, storage and movement of Goods by You including:
 - (i) security measures to protect the Goods against theft where appropriate based on the nature of the Goods whilst either in Your Conveying Vehicle or whilst temporarily removed from the Conveying Vehicle; and
 - (ii) the maintenance of Your Conveying Vehicles (including refrigeration machinery and security devices) in proper repair and sound working conditions; and
 - (iii) the employment of competent drivers and other Employees involved in transport or handling of Goods; and
 - (iv) taking reasonable steps to ensure the compliance with all statutory obligations, by-laws, regulations and standards imposed by public authorities.

Gross Freight Earnings means the total income derived by You from the carrying of Goods, whether as a principal, Subcontractor or through or by the use of Subcontractors without any deduction for any cost of operation, fixed recurring or isolated overhead, or any other expenses of any kind.

Livestock means sheep, cattle, goats and pigs and/or other herd animals as specified in the Schedule but excluding horses, birds and bloodstock, stud or prize animals or other animals which are not herd animals.

Loading and Unloading means loading or unloading of the Goods as specified below:

- a) Where the Goods are loaded or unloaded by crane

Loading commences when the Goods are attached to and picked up by Your crane hook, or one which is controlled by You or Your Employees or Subcontractors for the purposes of Loading the consignment onto Your Conveying Vehicle at the consignor's warehouse/premises or place of storage and terminates when the Goods have been positioned on Your Conveying Vehicle.

Unloading commences when the Goods are picked up by Your crane hook or one which is controlled by You or Your Employees or Subcontractors for the purposes of

Unloading the Goods from Your Conveying Vehicle and terminates when the Goods are placed by You or Your Employees or Subcontractors at the designated delivery point at the receiver's warehouse/premises or place of storage.

- b) Where the Goods being loaded or unloaded are Livestock

Loading commences when the Livestock proceed on to the loading ramp of Your Conveying Vehicle from the ground or loading dock adjacent to Your Conveying Vehicle and terminates when the Livestock have been positioned on Your Conveying Vehicle.

Unloading commences when the Livestock proceed on to the loading ramp and terminates when the Livestock are positioned on the ground or loading dock adjacent to Your Conveying Vehicle.

- c) Where the Goods being loaded or unloaded are motor vehicles

Loading commences when the wheels or tracks of the motor vehicle(s) being transported by You first move for the purposes of being driven onto the loading ramps of Your Conveying Vehicle from the ground or loading dock adjacent to the Conveying Vehicle or from the point where the motor vehicle(s) is currently parked provided that the distance driven to Your Conveying Vehicle does not exceed 100 metres and terminates when the motor vehicle(s) being transported have been positioned on Your Conveying Vehicle.

Unloading commences when the wheels or tracks of the motor vehicle(s) being transported by You first move for the purpose of delivery (or for the purposes of being placed into storage at the election of Your Customer) and terminates when the motor vehicle(s) being carried is parked by You in the receiver's premises or in the loading dock, provided this is within 100 metres of Your Conveying Vehicle, or alternatively, once the motor vehicle's wheels or tracks are driven off Your Conveying Vehicle and are on the road or loading dock immediately adjacent to Your Conveying Vehicle.

Note: where a tilt tray vehicle is used to transport the Goods the above motor vehicle Loading/Unloading definition will also apply.

- d) In relation to the loading or unloading of Goods which do not fall under any of the types or circumstances mentioned in a) to c) above.

Loading commences when the Goods are first picked up inside the warehouse/ premises or place of storage for the purposes of Loading onto Your Conveying Vehicle and terminates when the Goods have been placed on Your Conveying Vehicle.

Unloading commences when the Goods are picked up from Your Conveying Vehicle for the purposes of delivery to the receiver and terminates when the Goods are placed by You at the designated delivery point at the receiver's warehouse/premises or place of storage.

Overturning means inversion, laying at rest upon the side (which shall not include partial tipping causing discharging, dispersal, release, escape, spillage or falling off of the load, other than through collision of Your Conveying Vehicle).

Packaging means packing materials, shipping containers, crates, pallets or similar receptacles belonging to You or for which You are responsible.

Personal Property means bedding, CB/UHF and scanner radios, food and drink and its containers (including thermos-flasks, eskies and mobile fridge), clothing and personal accessories and hygiene items, footwear and personal entertainment equipment (e.g. DVD/ CD players, iPods or MP3 players).

Personal Property excludes money or any negotiable or non-negotiable documents that represent money, credit cards, watches and jewellery, mobile phones, pagers, laptop computers or PDAs/tablets, mobile GPRS units, precious metals or stones. (Also refer to Specific exclusions applicable to Section 4 – Parts A, B and C for any other properties which are not insured under this Policy Section).

Principal Carrier means another carrier with whom You have entered an agreement to act as Subcontractor in respect of a particular shipment, contract, or multiple consignments.

Refrigerated Goods means cargo in Your care, custody or control that is temperature controlled.

Subcontractor means a party with whom a Principal Carrier contracts to carry Goods and includes subcontractors of Subcontractors.

Terms and Conditions includes consignment notes, freight notes or standard conditions of contract incorporated into the contract for cartage or a contract which has been individually negotiated with a particular Customer issued by You (or a Principal Contractor) which limits Your liability for loss or Damage to the Goods.

Transit means the period of time during the Period of Insurance which starts from the point where:

- a) You first take possession of the Goods at the consignor's warehouse or premises for the purpose of Loading onto Your Conveying Vehicle for transportation to the consignee at another destination outside the warehouse or premises. Your Conveying Vehicle must leave the consignor's warehouse or premises within 72 hours of Your taking possession of the Goods for the purposes of transportation;

and ends at the earlier of:

- a) completion of Unloading and final delivery to the consignee at their warehouse or premises; or
b) interruption of the normal course of transport at the election of Your Customer for the purposes of storage, allocation or distribution; or
c) delivery of the Goods to the receiver or another responsible party as agreed with the consignor or consignee.

Extension of Transit

Transit continues during incidental storage at Your depots or premises which has not been requested by Your Customer but is necessary solely for the purposes of normal transshipment, handling, agistment (of Livestock) or load consolidation/ deconsolidation. In the case of Livestock during long haul movements, Transit continues for up to seven days during necessary temporary resting/spelling.

Transit continues whilst the Goods remain on Your Conveying Vehicle for up to 48 hours after arrival at the destination in the event that the Goods cannot be immediately Unloaded and delivered to the consignee.

Provided that the Goods remain within the Territorial Limits and within Your (or Your Subcontractor's) care, Transit continues:

- a) where the Goods are over-carried to an incorrect destination, until they are returned to the original consignor or delivered to the correct destination;
- b) where re-consigned or reshipped direct from a wharf or airport at the intended destination to another destination within the Territorial Limits, until arrival at the final destination;
- c) where shut out from Your Conveying Vehicle at an intermediate place during the course of Transit and whilst awaiting an alternative Conveying Vehicle, provided they are stored in a secure area.

Part A – Carrier's Legal Liability

Scope of Cover

Carriers using Approved Terms and Conditions

This cover option is only available where You utilise Approved Terms and Conditions to limit Your legal responsibility for Goods carried by You.

Where this cover option is selected and noted as insured in the Schedule as applicable, and subject to the terms and conditions, exclusions and limitations of the Policy, We provide the following cover.

In order to be sure that You are covered under this policy You should always contact Us for approval before You incur costs You wish to claim. If You do not, We will pay for expenses incurred up to the amount We would have authorised had You asked Us first.

Liability Cover

We will Indemnify You for all sums that You shall become legally liable to pay as compensation for:

- a) loss of or Damage to Goods:
 - (i) whilst in Your Conveying Vehicle or in Your premises;
 - (ii) within Your or Your Subcontractor's care, custody or control; and
 - (iii) in Transit within the Territorial Limits; and

- b) consequential Loss incurred by the owner of the Goods caused solely by the loss of or Damage to the Goods, which occurs during the Period of Insurance and within the territorial Limits, up to the relevant Sum Insured. Some examples of what We won't pay for include loss of profits or depreciation.

Additional Covers

We will also pay:

- a) all legal costs and legal expenses incurred by You with Our prior consent or recoverable from You in connection with a claim covered under the Liability Cover clause above;
- b) any interest awarded against You arising therefrom; and
- c) the Additional Benefits Applicable to Section 4 Parts A, B and C unless specified otherwise in the Schedule (where applicable).

Where You choose not to use or deliberately vary the Approved Terms and Conditions

Where You:

- a) intentionally choose not to rely upon the Approved Terms and Conditions; or
- b) acting as Subcontractor to a Principal Carrier, intentionally agree to contract on terms which do not provide You with the same level of immunity, indemnity, protection, limitation and defence as Your Approved Terms and Conditions (or agree to subcontract to the Principal Carrier for work where the Principal Carrier does not limit their liability and that of their Subcontractor(s) by means of written Terms and Conditions); or
- c) materially vary, waive, alter or amend Your Approved Terms and Conditions and do not notify Us and obtain Our approval (that is, through the changes intentionally made by You to the Approved Terms and Conditions You diminish the legal effectiveness of the Approved Terms and Conditions in respect to limiting Your liability for the Goods or other losses consequent thereon), cover under the Liability Cover clause above will be limited to either:

- (i) all sums that You shall become legally liable to pay as compensation for loss of or Damage to Goods covered under that clause entrusted to Your care, custody and control caused by one of the Insured Events listed under Part C of this Section but excluding the Optional Benefit listed for Part C; or
- (ii) for any other cause of loss/Event, amounts which You would have been liable to pay had the Approved Terms and Conditions been utilised and incorporated into the contract of carriage for the consignment.

Where the covered Goods are also insured under Part B and/or Part C (and You have taken one or more of these Sections), failure to issue or rely on Approved Terms and Conditions will not preclude You from claiming for the loss under Part B or C. However, if You have cover under any two, or all three Parts of this Section, You may only claim under one Part for any one loss or series of losses arising from the same Insured Event.

Accidental error in issuing Approved Terms and Conditions

We will Indemnify You in accordance with the Liability Cover clause in this Part A where You (or the Principal Carrier, where applicable), due to an accidental error in normal business procedure(s):

- a) have inadvertently altered or failed to correctly issue the Approved Terms and Conditions but can demonstrate prior trading with the consignor/owner of the covered Goods or their authorised representative under the Approved Terms and Conditions; or
- b) vary, alter or amend Your Approved Terms and Conditions and inadvertently fail to obtain Our approval to the changes made (provided such modifications do not significantly diminish the legal effectiveness provided by the Terms and Conditions issued in respect to limiting Your liability for the covered Goods or other losses consequent thereon).

About Parts B and C

Cover is only provided under Part B Accidental Damage cover or Part C Specified Perils cover if the Part is specified as applicable in the Schedule. The relevant cover is provided subject to the other terms, conditions, exclusions and limitations of the Policy.

Loss of or Damage to Goods covered under Section 4 – Parts B and C

We will Indemnify You for loss of or Damage to Goods whilst within:

- a) Your Conveying Vehicle or in Your premises;
- b) either Your or Your Subcontractor's care, custody or control; and
- c) the Territorial Limits, caused by a Part B or Part C Insured Event (as applicable), which occurs both during Transit and the Period of Insurance up to the relevant Sum Insured for the applicable Part B or C.

For covered Livestock We also cover You under the above insuring clause for their death and/or destruction, including slaughter for humane reasons, where necessary due to an Insured Event.

Where the Goods are temperature controlled, chilled, perishable or Refrigerated Goods We cover deterioration of the Goods as a result of one of the covered Insured Events.

Note: The above cover applies irrespective of whether You are legally liable to the Customer for the loss or Damage to the covered Goods. If You choose to decline liability to a Customer the Liability Defence Costs Cover below can apply.

Liability Defence Costs Cover

Should You decide to decline liability under Your conditions of carriage for any claim in relation to loss of or Damage to Goods that would otherwise be covered by Part B and/or C (as applicable), We will defend any claim made against You and pay:

- a) all legal costs and legal expenses incurred by You with Our prior consent; and
- b) any amounts awarded against You, including interest, up to but not exceeding the Sum Insured for the relevant Section.

Consequential Loss of owner of Goods Cover

We will also pay, where You are legally liable to pay compensation for Consequential Loss incurred by the owner of the Goods caused solely by loss of or Damage to the Goods covered under the relevant Part B or C of this Section 4, up to a limit of \$100,000 which arises from one Insured Event (but not exceeding \$200,000 in the aggregate during the Period of Insurance) in addition to the Sum Insured.

Additional covers

We will also pay the the Additional Benefits Applicable to Section 4 Parts A, B and C unless specified otherwise in the Schedule (where applicable).

Basis of Settlement under Section 4 – Part B and Part C

Subject to the specific exceptions below and the terms and conditions of the Policy, the amount We will pay for loss of or Damage to the Goods claimable under either Part B or C will be the lesser of:

- a) the invoice value covering the Goods;
- b) the actual market value of the Goods where there is no invoice value;
- c) the cost of repairing or replacing the Goods with items of similar age and condition or as near as possible to that age or condition (however, under no circumstances do We cover You for any reduction in the value of Goods because of repairs); or
- d) the amounts We negotiate as settlement for the loss of or Damage to the Goods with the owner(s) on Your behalf.

The following specific exceptions apply:

- For Livestock, We will pay the net invoice value covering the Livestock whilst in Transit, or, if there is no invoice value, the cost of replacing the Livestock with similar Livestock of the same age, breed and condition or as close as possible to the age, breed and condition of the original Livestock but not exceeding the relevant Sum Insured.
- For artwork or antiques, the market value of the Goods as assessed by an independent and qualified valuer but not exceeding the relevant Sum Insured.

- For new machinery which has been Damaged, We will pay for the cost of replacement or repair of the Damaged part or parts plus any additional charges for forwarding and refitting but not exceeding the relevant Sum Insured.
- For used machinery, in the event of a total or constructive total loss:
 - (i) for sales/purchases – the purchase or sale price (invoice price) plus freight and incidental transport charges;
 - (ii) for stock transfers and other movements not involving a sale/purchase to evidence the value of the machine:
- where a second hand market for the Goods exists – market value at the time of the loss plus freight and incidental transport charges;
- for specialised machinery where there is no second hand market – the written down asset value as evidenced by the claimant's accounting records, or the new replacement value based on the closest available equivalent machine of similar technical specifications less agreed depreciation based on the age and condition of the insured machinery at the time of the loss, plus freight and incidental transport charges.

The amount payable in the event of a partial loss will not exceed the cost of repairing and reinstating the item to a condition equal to but not better or more extensive than its pre-loss condition, and in any event not exceeding the above.

- For Packaging/shipping containers, We will pay the cost of repair or replacement (as required by the hand over agreement or similar document) but not exceeding the insured sub-limit expressed in the Policy or the Schedule where different.
- In the event of loss affecting labels only, the amount recoverable is limited to the cost of new labels, reconditioning and re-labelling the Goods but not exceeding the relevant Sum Insured.

Part B – Accidental Damage

Scope of Cover

The Insured Events applicable to this Section 4 Part B are:

- a) an Accident; or
- b) a Deliberate Third Party Act, but excluding deterioration in Goods caused solely by a variation in temperature (other than due to variation in temperature below or above the documented required range for transportation of the Goods for a period in excess of four consecutive hours or otherwise stated in the Schedule where different), caused by:
 - a) Accidental failure, breakdown, stoppage or malfunction of the refrigerating machinery which results in:
 - (i) its failure to deliver air at the preset temperature; or
 - (ii) it being unable to perform its normal refrigeration cycle;
 - b) mismanagement of the refrigerating machinery by You or Your Subcontractors, including selection of incorrect temperature or failure to turn on power; or
 - c) disruption of the airflow within Your Conveying Vehicle or container caused by mismanagement of the interior bulkheads by You or Your Subcontractors.

We will not cover You where the loss of or Damage is caused by Your failure to properly maintain Your refrigeration machinery. If required by Us You will need to provide evidence that the refrigeration machinery has been properly maintained.

Part C – Specified Perils

Scope of Cover

The Insured Events applicable to this Section 4 Part C are:

- fire, lightning, windstorm, tornado or cyclone, hail or explosion;
- Flood;
- collision of Your Conveying Vehicle with any external object other than the road, gutter, curb or road surface;
- collision, crashing or forced landing of aircraft (including an aircraft used to transport the Goods);

- collapse of bridges or culverts causing damage to the Goods on Your Conveying Vehicle;
- jack-knifing, Overturning and/or derailment of Your Conveying Vehicle;
- impact of the load with any object which is not on or part of Your Conveying Vehicle with the Goods;
- Damage caused by strikers, locked out workers or persons taking part in labour disturbances, riots or civil commotions;
- Deliberate Third Party Act committed without the knowledge or connivance of Yourself or the owner of the Goods including Malicious Damage to the Goods on Your Conveying Vehicle;
- any theft of the Goods from Your Conveying Vehicle or place of temporary storage, hijack or armed hold up of Your Conveying Vehicle, pilferage or non-delivery of the Goods.

If transported by sea, the Insured Events specified above are extended to include:

- stranding, sinking, burning, grounding or collision of the vessel;
- any General Average and/or Salvage contribution You are required to pay;
- risks of jettison, washing overboard and loss or Damage caused by a General Average sacrifice.

Optional Benefit applicable to Section 4 – Part C

This Optional Benefit only applies when it is noted as being applicable in Your Policy Schedule.

Loading and Unloading

We will Indemnify You or Your Subcontractor subject to the Excess specified in Your Policy Schedule for Accidental Damage to Goods occurring during Loading or Unloading of Your Conveying Vehicle during the ordinary course of Transit during the Period of Insurance within the Territorial Limits.

The maximum We will pay is the Limit of Indemnity shown in Your Policy Schedule.

Additional benefits applicable to Section 4 – Parts A, B and C (unless otherwise noted)

The following Additional Benefits are subject to terms and conditions, exclusions and limitations of the Policy.

Accumulation

In the event of the accumulation of Goods in excess of the Sum Insured arising from circumstances beyond Your control during the Transit, and providing You give Us notice as soon as reasonably possible after the circumstances become known to You, We will provide cover for the accumulated Goods up to double the Sum Insured specified in the Schedule each and every loss or occurrence or series of losses or occurrences arising out of the same Event. If You do not, We may reduce or refuse Your claim to the extent We are prejudiced by Your delay.

Automatic Reinstatement

When We Indemnify a claim under Section 4 of the Policy, the Sum Insured for the applicable Period of Insurance stated in the Schedule will be automatically reinstated without additional Premium.

Brands Clause

In the event of loss or Damage to Goods during the Period of Insurance bearing embossed or indented brands or labels or other permanent markings identifying Your Customer as the manufacturer or supplier, or exclusive and/or secret formula that may be involved, the Goods may be retained by Your Customer to be disposed of as they see fit provided a reasonable allowance is agreed for the value of the Damaged and undamaged Goods.

Business and driver property

Your cover is extended to cover loss of or Damage to Your Business property or Your Employee driver's Personal Property which is in Your Conveying Vehicle and during Transit and is caused by one of the Part C Insured Events but excluding any loss or Damage occurring during Loading and Unloading.

In no case shall Our aggregate liability under this Section for loss or Damage to Your Business property or driver's Personal Property exceed \$2,000 any one loss or series of losses arising out of the one Event, unless specified otherwise in the Schedule where different. This Additional Benefit is in addition to any other Sum Insured shown in the Schedule.

Container demurrage charges

We will cover demurrage charges and/or late penalties assessed against You up to a maximum of \$50,000 any one loss or series of losses caused by the one Event (unless specified otherwise in the Schedule where different) in addition to the Sum Insured where these are incurred during the Period of Insurance due to the container(s) being retained by You on Our instruction for the purposes of inspection following a claim. The demurrage period for which We will be liable begins at the time We instruct You to retain the containers and finishes at the time Our surveyor instructs You to return the containers.

Debris Removal/Clean Up Costs Clause

Where We have accepted liability for loss or Damage to Goods, We will also pay up to \$100,000 (unless specified otherwise in the Schedule where different) any one loss or series of losses caused by the one Event in addition to the Sum Insured shown in the Schedule for such loss or Damage, for:

- a) the cost of removal and/or disposal of the Damaged, deteriorated or contaminated Goods; and
- b) the cost of cleaning up the Accident site, premises, location or Your Conveying Vehicle;

provided:

- a) these costs relate to the Goods;
- b) You are legally or contractually obliged to pay those costs; and
- c) such costs are not recoverable under any other policy of insurance.

This Additional Benefit does not apply to commercial bulk consignments of Dangerous Goods.

Diagnosis

Where diagnosis is required to determine if there has been loss or Damage covered by this Section 4 and if You or We incur costs for such diagnosis and reassembly and:

- a) the claim is subsequently accepted as valid by Us, We will bear these costs subject to the Sum Insured; and
- b) if the claim is not lodged or the claim is not subsequently accepted by Us, You agree to pay for the diagnosis and reassembly costs.

Fumigation and decontamination

We will cover the reasonable costs, charges and expenses of fumigation, decontamination or quarantine (including additional freight charges incurred) on arrival at destination or intermediate port or place during the Period of Insurance where the Goods are:

- a) suspected of being infested, or actually infested; and
- b) ordered by the appropriate authorities to be fumigated or decontaminated; and
- c) You are legally responsible for such costs.

This Additional Benefit is subject to a limit of \$25,000 any one loss or series of losses caused by the one Event unless specified otherwise in the Schedule where different, in addition to the Sum Insured shown in the Schedule.

We will also cover any loss or Damage to the Goods proximately caused during the process of decontamination or fumigation including fire resulting from the application of heat during these processes.

Under no circumstances will We be liable under this Additional Benefit for the costs of customary or mandatory fumigation, decontamination or quarantine costs and expenses (per Government Regulations or similar statutory requirements).

General Average and Salvage Clause

We will pay General Average and Salvage charges incurred during the relevant Transit in full irrespective of the amount insured being less than the contributory value.

Livestock – Agistment expenses

This Additional Benefit covers all reasonable costs and expenses necessarily incurred in maintaining the Livestock at agistment following an Insured Event whilst waiting for an alternative Conveying Vehicle. The maximum amount We will pay is limited to \$1,000 per animal and \$25,000 in the aggregate for any one loss or series of losses caused by the one Event unless specified otherwise in the Schedule, where different.

Where agistment is necessary as a result of injury to the Livestock We will pay the costs of agisting the animals to bring them back to a pre-loss condition but not exceeding:

- a) the loss due to agreed depreciation had the animals been sold as injured Livestock; or
- b) the Sum Insured for the affected animals; whichever is the lesser.

Livestock – Mustering costs

This Additional Benefit covers all reasonable costs and expenses necessarily incurred for mustering of the Livestock at the scene of an Accident when caused by an Insured Event during the Period of Insurance. The maximum amount We will pay is limited to \$1,000 per animal and \$25,000 in the aggregate for any one loss or series of losses caused by the one Event unless specified otherwise in the Schedule, where different.

Livestock – Wandering off

This Additional Benefit covers loss of Livestock due to wandering from the scene of an Accident caused by an Insured Event during the Period of Insurance. The maximum amount We will pay is limited to \$1,000 per animal and \$25,000 in the aggregate for any one loss or series of losses caused by the one Event unless specified otherwise in the Schedule, where different.

Measures to avert or minimise loss

In the event of loss of or Damage to Goods covered by this Section, You can take reasonable measures to avert or minimise such loss or Damage and We will, in addition to any loss recoverable under this Section 4, reimburse You for any costs properly and reasonably incurred in this regard.

Measures taken by You or Us with the object of saving, protecting or recovering the Goods shall not be deemed to be acceptance of liability nor will they prejudice either Your or Our rights under the Policy.

On Forwarding Clause

We will pay all reasonable costs necessarily incurred in Unloading, storing and forwarding the Goods to the original destination in Australia or place from which they were dispatched following an Insured Event.

The maximum amount We will pay for any one loss or series of losses caused by the one Event is \$25,000 unless specified otherwise in the Schedule, where different.

Packaging and equipment

We will extend Your cover under the relevant Part for loss of or Damage to:

- a) Packaging materials, crates, pallets, shipping containers, flatracks tanktainers, demountable bodies, flat or similar unit (including ancillary equipment whilst attaching to such unit), or similar items owned by You or for which You have legal responsibility; and
- b) equipment used by You in cargo handling including tarpaulins, ropes, chains, webbing straps, restraints, dogs, gates, trolleys and containers,

provided they are not otherwise insured under the Policy or any other policy of insurance entered into by a third party or required by law and whilst carried on Your Conveying Vehicle during an insured Transit during the Period of Insurance and caused by one of the Insured Events under Part C. This Additional Benefit is subject to a limit of \$50,000 any one loss or series of losses arising out of the one Event unless specified otherwise in the Schedule, where different, in addition to the Sum Insured shown in the Schedule.

Re-securing costs

We will cover You for all reasonable costs and expenses up to a maximum of \$10,000 (unless specified otherwise in the Schedule and provided they are not recoverable under any other policy of insurance) incurred in re-securing the Goods where there has been movement of the Goods in Transit which makes re-securing necessary, even though there may be no claim resulting from the incident, providing these circumstances were outside Your control and You could not reasonably be expected to know of them during the normal course of Your Business.

Our rights in relation to settlement under Section 4 – Parts A, B and C

In some cases, We may elect to negotiate a settlement with the party claiming against You.

Despite having instructed Us to defend any claim, You may subsequently instruct Us to pay the claim, provided that the total amount paid to the claimant by Us and the Excess does not exceed the Sum Insured.

In order to be sure that You are covered under this policy You should always contact Us for approval before You incur costs You wish to claim. If You do not, We will pay for expenses incurred up to the amount We would have authorised had You asked Us first.

In addition, We will pay:

- a) legal costs and legal expenses incurred by You in defending the claim with Our prior consent; and
- b) interest awarded against You;

up to, but not exceeding, the Sum Insured for the relevant Section.

We will also pay the Additional Benefits within Section 4 of the Policy (where applicable).

If You have elected to defend the claim, We retain the right at any time during proceedings to decide to settle the claim by paying out the Sum Insured for the relevant Part A, B or C, net of any costs incurred and already paid by Us. We will act reasonably having regard to Your interests, and will keep You informed if You ask us to.

If, in Our opinion, sufficient grounds do not exist to defend Your liability, We will Indemnify You for Your Customer's claim(s) against You to the extent of the cover provided, but excluding legal costs, expenses and interest, except to the extent such costs, expenses and interest have been incurred with Our prior consent up to the date of Our decision.

Specific exclusions applicable to Section 4 – Parts A, B and C

A. Property (Goods) exclusions

The following types of Goods are excluded and no cover is provided by the Policy unless specifically agreed to by Us and noted in the Schedule or within the Additional Benefits under Section 4 of the Policy:

1. Livestock;
 2. bloodstock or stud or prize animals;
 3. live plants and trees;
 4. temperature controlled, perishable or refrigerated goods;
 5. works of art or antiques;
 6. home contents and personal effects (domestic removals);
 7. property owned by You including tools of trade, electrical and electronic equipment;
 8. motor vehicles;
 9. Dangerous Goods (as defined by the Policy) or as defined by any Government agency or authority which by their nature require special licencing of the driver or vehicle and/or are defined as a "placard load". This Specific Exclusion does not apply to small consignments, limited quantities or retail distribution loads of Dangerous Goods where concession is provided under the current Australian Dangerous Goods Code.
- Under no circumstances do We insure under Section 4 of the Policy:
10. precious metals and stones, or jewellery;
 11. money (which means any coin or banknote), bullion, cheques, credit or other card sales vouchers, securities or shares, bonds, deeds, bills of exchange or any document that represents or is exchangeable for money;
 12. the specialised transport of cigarettes, tobacco/tobacco products. This Specific Exclusion does not apply to small consignments or limited quantities of product (under \$20,000 in value, or as otherwise agreed by Us) carried as part of a mixed load;
 13. radioactive goods or explosive goods;
 14. vehicles and machines that You have been contracted to move whilst driven under their own power or whilst being towed other than during Loading and Unloading operations.

B. Perils exclusions

Except as provided Section 4 of the Policy does not cover the following.

Losses not arising from transport services

Loss or Damage:

1. which has not occurred during the Transit including but not limited to pre-existing Damage or Damage occurring after the Goods have been unpacked at destination;
2. as a result of rejection;
3. arising from unexplained loss, mysterious disappearance and/or shortage deduced solely from an inventory computation;
4. resulting from insolvency or financial default of any agent or Subcontractor;
5. delay, loss of market, or Consequential Loss of any description except as otherwise provided for in Section 4 Parts A, B or C (as applicable).

Failure to take Due Care and/or deliberate Damage

Loss or Damage to Goods caused by:

6. Your misconduct or intentional acts caused by You or any person acting with Your express or implied consent;
7. failure to exercise Due Care in the safe handling, storage, protection and security of the Goods;
8. cartage in an unsafe or unroadworthy Conveying Vehicle unless the condition of Your Conveying Vehicle did not contribute to the loss and/or the condition was not reasonably detectable or known by You;
9. cartage of Goods in excess of the weight, mass or dimensions permitted for Your Conveying Vehicle design or license or where greater than permitted by law, regulation, permit or advisory sign unless You can prove that the excess dimension or excess configuration was accidental and could not be reasonably known, detected and prevented by You;
10. cartage by an unlicensed driver or one whose faculties were impaired by drugs or alcohol in excess of that permitted by law, unless You did not know, or could not reasonably have known about the circumstances or condition of the driver. This Specific Exclusion will not apply to the extent that there are any statutory provisions to the contrary;

11. cartage of Dangerous Goods which are not carried in accordance with the provisions of the current Australian Dangerous Goods Code, regardless of package size or quantity, and whether or not Dangerous Goods have been specified in the Schedule.

Packaging, stowage and restraint of the Goods

Loss or Damage to Goods caused by:

12. insufficiency or unsuitability of Packaging or preparation of the Goods other than the cover provided for Refrigerated Goods in respect of variation in temperature detailed in Section 4 – Part B;
13. vibration of the load during Transit except due to an Insured Event under Part B or as may be recoverable under Part A;
14. scratching, denting, chipping of items carried without suitable protection against possible impact from stones, gravel or other road surface materials except as may be recoverable under Part A;
15. shifting of the Goods or improper stowage and/or restraint of the Goods on Your Conveying Vehicle, unless You can demonstrate that You complied with all statutory requirements in respect of the load;
16. other items left inside a vehicle or machine which has not been suitably secured to prevent movement.

Normal Losses etc.

Loss or Damage to Goods due to:

17. inherent vice (except for Refrigerated Goods or temperature controlled or perishable Goods due to variation in temperature as provided in Part B);
18. moths, insects, rats or other vermin, ordinary leakage, loss in weight or volume or wear and tear of the Goods;
19. mould or mildew, unless caused by an insured Event or as may be recoverable under Part A.
20. rust, oxidation or discolouration, unless caused by an Insured Event or as may be recoverable under Part A.

Livestock

Loss or Damage to Livestock:

21. caused by inoculation or its after effects, infectious diseases, abortion or loss or death of foetus;

22. which are not in good health prior to Loading and not fit for travel.

Refrigerated Goods

Loss or Damage to temperature controlled Goods caused by:

23. failure of Your refrigeration equipment where it has not been regularly serviced and maintained;
24. the absence, shortage or withholding of power or fuel (except as may be recoverable under Part A);
25. failure of You or Your servants, agents or Subcontractors (except as may be recoverable under Part A):
 - to take all reasonable precautions to keep the Goods in a refrigerated, properly insulated or cooled space;
 - to ensure the Goods are carried at the correct operating temperature, unless caused by an insured Event as may be recoverable under Part B, or Part C;

Machinery, equipment, data, etc

Loss or Damage to Goods, liability or expense:

26. for electronic, electrical or mechanical failure of the Goods or loss of data from any computer hardware or software unless there is visible external physical Damage to the Goods which occurred during Transit caused by an Insured Event;
27. directly or indirectly caused by, or contributed to by, or arising from the use or operation, as a means of inflicting harm of any computer system, computer software programme, by any malicious code, computer virus or process or any other electronic system;
28. to Goods which are vehicles and machines whilst being towed or whilst being driven under their own power except during Loading and Unloading operations as specified in the Policy;
29. arising from the dismantling, assembly, testing or fabrication of machinery, plant, equipment or structure. Liability for third party losses;
30. to third party property other than the Goods or any property expressly covered under Section 4.
31. caused by the infection of property, humans, animals or other living creatures by infectious matter, or the spreading or releasing thereof, by You irrespective of how or why it was spread or released.

C. Offer of Insurance

Where You:

- issue Terms and Conditions of cartage which incorporate an offer to arrange insurance (or any other financial service as defined in section 766B of the Corporations Act 2001 (Cth)) for the benefit of Your Customer; or
- represent to Your Customer that You are able to arrange insurance for their benefit;

then the Policy will not Indemnify You in respect of Your liability for failure to arrange insurance to the benefit of the Customer, or for any claims arising from Your professional negligence and errors or omissions associated with the offer of insurance. The Policy will respond only to the extent that it would do so in the absence of such an offer or representation and, in the case of Part A claims, as if You had issued the unmodified Approved Terms and Conditions.

Specific conditions applicable to Section 4

If You do not meet these Specific Conditions, We may to the extent permitted by law cancel Your Policy and/or reduce or refuse to pay a claim, to the extent Our interests are prejudiced by Your noncompliance.

1. Alteration of risk

If You become aware of any changes to the facts or circumstances which existed when this insurance commenced that You know or ought reasonably to have known is relevant to Our decision to insure You and the terms on which We will insure You (for example, the nature of Your Business operations, or other circumstances that affect the Goods carried) You must notify Us in writing. If We agree to the change We will do so in writing and You must pay Us any additional premium We require. We may cancel Your policy if there is a change and We can't reach an agreement with You on altered terms and conditions or premium; or We are no longer prepared to insure You because there has been a material change to the risk.

2. Declaration of Gross Freight Earnings

The deposit premium advised at the inception of each Period of Insurance is provisional and based on the estimated Gross Freight Earnings during the Period of Insurance.

On expiry of the Period of Insurance the Policy will be adjusted by applying the agreed rate percent to the actual Gross Freight Earnings for that Period of Insurance. For the purpose of ascertaining any adjustment to this premium You must provide, within 90 days from the expiry of each Period of Insurance, the actual Gross Freight Earnings.

The difference between the premium based on the actual figures at the end of the Period of Insurance and the premium calculated at inception will be paid by or allowed to You, as the case may be, but in any event a minimum retained premium equivalent to 75% of the full premium based on the initial estimates will be retained by Us.

We agree to waive any adjustment of premium (other than the difference between the deposit and full premium calculated on the estimated Gross Freight Earnings) where the difference between the actual Gross Freight Earnings and the estimated Gross Freight Earnings is less than 10%.

You are required and agree to keep accurate records of all such figures and, on request, to provide Us with an audited copy of these records. The more information We have, the more likely We are able to process Your claim successfully.

It is hereby noted and agreed that the premium charges hereunder have been based on the understanding that all contracts of carriage into which You enter are subject to Your freight or consignment note of which a copy has been submitted to Us.

3. Due Care

It is a condition of the Policy that at all stages You must take Due Care in:

- a) the handling, storage and movement of Goods in Your care, custody and control;
- b) issuing the Terms and Conditions declared to Us (Part A cover option); and
- c) declaring to Us Your Terms and Conditions, including any changes to the same (Part A cover option).

4. Pairs and sets

In the event of loss of or Damage to an article forming part of a pair or set (caused by an Insured Event) no regard shall be made to the value such article(s) may have to the pair or set and the amount recoverable under the Policy shall be calculated as a proportionate part of the insured value of the pair or set.

5. Subrogation/Rights of recovery

We have the right to take action or institute legal proceedings, in Your name, for the recovery of payments made and expenses incurred in relation to any claim covered by the Policy, against any person, company or entity legally liable to You in respect of that claim. You must take all reasonable steps to provide Us with full information and all reasonable assistance in the recovery of those payments or expenses. In particular, We reserve the right of subrogation against any of Your Subcontractors not solely and directly working under Your instructions and contract, or which have in place their own insurance arrangements covering their liability for loss or Damage to Goods they carry.

For all inquiries please call
your insurance intermediary

Sydney	02 9966 8820
Parramatta	02 9966 8820
Brisbane	07 3210 0666
Townsville	07 4772 0054
Melbourne	03 8623 2666
Adelaide	08 8232 7645
Darwin	08 8981 7510
Perth	08 9324 1963
Newcastle	02 4920 8698
Albury	02 6023 5308

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