

# 360 Machinery and Electronic Plant Policy Wording

Date of preparation: 2 April 2024

Effective date: 22 June 2024

360CEMEEPWW424



360 Construction and Engineering Pty Ltd **ABN** 56 634 130 760 is an Authorised Representative  
(AR 1278878) of 360 Underwriting Solutions Pty Ltd **ABN** 18 120 261 270, **AFSL** 319181  
Suite 1, Level 18, 201 Kent St, Sydney, NSW 2000

This is an important document about insurance. It explains what is and what is not covered under the insurance **policy** and **your** and **our** obligations. To check the **policy** meets **your** needs, **you** need to understand it. If **you** cannot read and understand English please seek assistance from someone who can help **you** understand it in **your** preferred language.

此乃關於保險的重要文件，它解釋了根據保單條款什麼是受保、什麼是不受保項目，以及你方和我方的責任條款。你必須要了解後才能決定這項保險是否能滿足你的需要。如果你不能閱讀和理解英文，請向能幫助你用你熟悉的語言理解內容的人求助。

هذه وثيقة هامة عن التأمين، تشرح ما تغطيه بوليصة التأمين وما لا تغطيه بالإضافة إلى التزاماتنا والتزاماتك. يجب عليك فهم محتوى البوليصة حتى تتأكد من أنها تفي باحتياجاتك. إذا لم تكن تجيد قراءة الإنجليزية وفهمها، أطلب المساعدة من شخص يستطيع أن يعينك على فهم هذه الوثيقة باللغة التي تفضلها.

此乃關於保險的重要文件，它解釋了根據保單條款什麼是受保、什麼是不受保項目，以及你方和我方的責任條款。你必須要了解後才能決定這項保險是否能滿足你的需要。如果你不能閱讀和理解英文，請向能幫助你用你熟悉的語言理解內容的人求助。

Đây là một tài liệu quan trọng về bảo hiểm. Nó giải thích những gì được và những gì không được bảo hiểm theo hợp đồng bảo hiểm cũng như những nghĩa vụ của quý vị và của chúng tôi. Để kiểm tra liệu hợp đồng bảo hiểm có đáp ứng được những nhu cầu của quý vị hay không, quý vị cần phải hiểu nó. Nếu quý vị không thể đọc và hiểu tiếng Anh, vui lòng nhờ ai đó có thể giúp giải thích hợp đồng cho quý vị bằng ngôn ngữ quý vị ưa dùng.

Questo è un documento importante sull'assicurazione. Spiega cosa è e cosa non è coperto in base alla polizza assicurativa ed i tuoi ed i nostri obblighi. Per verificare che la polizza soddisfi le tue esigenze, devi capirla. Se non puoi leggere e capire l'inglese, fatti assistere da qualcuno che possa aiutarti a capirla nella tua lingua preferita.

Αυτό είναι ένα σημαντικό έγγραφο σχετικά με την ασφάλιση. Εξηγεί τι είναι και τι δεν καλύπτεται από το ασφαλιστήριο συμβόλαιο και τις δικές σας και τις δικές μας υποχρεώσεις. Για να ελέγξετε αν αυτό ανταποκρίνεται στις ανάγκες σας, πρέπει να το κατανοήσετε. Εάν δεν διαβάζετε ή δεν κατανοείτε την αγγλική γλώσσα, παρακαλείσθε να ζητήσετε βοήθεια από κάποιον που μπορεί να σας βοηθήσει να το κατανοήσετε στη γλώσσα που προτιμάτε.

यह बीमा के बारे में एक महत्वपूर्ण दस्तावेज़ है। इसमें यह बतवाया गया है कि कवरेज (बीमा) और कवरेज (बीमा) नहीं है तथा इसमें आपके और हमारे दायित्वों के बारे में भी बताया गया है। यह जांच करने के लिए दक का प्रवर्तन आपकी आवश्यकताओं को पूरा करती है, आपका इस समझने की आवश्यकता है। यह आप अंग्रेजी पढ़ और समझ नहीं सकते/सकती हैं तब कृपया दकसी ऐसे व्यक्ति से सहायता जिन आपका इस आपकी पसंदीदा भाषा में समझने में मदद कर सकता है।

Este es un documento importante sobre seguros. En él se explica lo que cubre y no cubre su póliza de seguro y tanto sus obligaciones como las nuestras. Deberá entenderlo para determinar si la póliza se adapta a sus necesidades. Si no lee ni entiende inglés, solicite la ayuda de alguien que le pueda ayudar a entenderlo en su idioma.

ਇਹ ਬੀਮੇ ਬਾਰੇ ਇੱਕ ਮਹੱਤਵਪੂਰਨ ਦਸਤਾਵੇਜ਼ ਹੈ। ਇਸ ਵਿੱਚ ਇਹ ਵੇਰਵਾ ਦਿੱਤਾ ਗਿਆ ਹੈ ਕਿ ਕਵਰਡ (ਬੀਮੇ) ਦੁਆਰਾ ਕਵਰਡ (ਬੀਮੇ) ਨਹੀਂ ਹੈ ਅਤੇ ਇਸ ਵਿੱਚ ਤੁਹਾਡੀਆਂ ਅਤੇ ਸਾਡੀਆਂ ਜ਼ਿੰਮੇਵਾਰੀਆਂ ਬਾਰੇ ਵੀ ਦਸਤਾਵੇਜ਼ ਦਿੱਤਾ ਹੈ। ਇਹ ਜਾਂਚ ਕਰਨ ਲਈ ਦਕ ਕੀ ਪ੍ਰਵਰਤਨ ਤੁਹਾਡੀਆਂ ਜ਼ਿੰਮੇਵਾਰੀਆਂ ਨੂੰ ਪੂਰਾ ਕਰਦੀ ਹੈ, ਤੁਹਾਨੂੰ ਇਸਨੂੰ ਸਮਝਣ ਦੀ ਜ਼ਰੂਰਤ ਹੈ। ਜੇ ਤੁਸੀਂ ਅੰਗਰੇਜ਼ੀ ਪੜ੍ਹ ਤੇ ਸਮਝ ਨਹੀਂ ਸਕਦੇ ਹੋ ਤਾਂ ਵਕਰਪਾ ਕਰਕੇ ਵਕਸੇ ਅਵਜ਼ਹੇ ਵਵਅਕਤੀ ਤੋਂ ਮਦਦ ਵਿੱਚੋਂ ਤੁਹਾਡੀ ਪਸੰਦੀਦਾ ਭਾਸ਼ਾ ਵਿੱਚ ਤੁਹਾਨੂੰ ਇਸਨੂੰ ਸਮਝਣ ਵਿੱਚ ਮਦਦ ਦੇ ਸਕੇ।

# Machinery and Electronic Equipment Insurance

## Table of Contents

<b>ABOUT THIS BOOKLET</b>	<b>6</b>	<b>SECTION 2 – ELECTRONIC PLANT INSURANCE</b>	<b>18-20</b>
+ FOR MORE INFORMATION OR TO MAKE A CLAIM	6	SCOPE OF COVER	18
+ ABOUT QBE	6	TERMS OF COVER	18
+ WHO IS THE INSURER’S AGENT?	6	PORTABLE ELECTRONIC PLANT EXTENSION	18
<b>IMPORTANT INFORMATION</b>	<b>7-8</b>	1. BASIS OF SETTLEMENT	18
+ GENERAL INSURANCE CODE OF PRACTICE	7	2. EXCLUSIONS – APPLYING TO SECTION 2 AND ALL EXTENSIONS	18
+ PRIVACY	7	3. SPECIAL CONDITIONS – APPLYING TO SECTION 2	19
+ COMPLAINTS	7	+ EXTENSIONS	20
+ CONTACTING 360 CONSTRUCTION	8	1. ELECTRONIC DATA AND ELECTRONIC DATA MEDIA	20
+ COOLING OFF PERIOD	8	2. INCREASED COST OF WORKING	20
<b>POLICY WORDING</b>	<b>9</b>	<b>BUSINESS INTERRUPTION EXTENSIONS FOR SECTIONS 1 AND/OR 2 – LOSS OF GROSS PROFIT, PAYROLL AND INCREASE IN COST OF WORKING</b>	<b>22-25</b>
+ OUR AGREEMENT	9	+ 1. DEFINITIONS – APPLYING TO THIS EXTENSION	22
+ EXCESS	9	+ 2. SCOPE OF COVER	22
+ HOW MUCH WE WILL PAY	9	+ 3. BASIS OF SETTLEMENT	22
+ PAYING YOUR PREMIUM	9	+ 4. CONDITIONS – APPLYING TO THIS EXTENSION	24
<b>DEFINITIONS</b>	<b>10</b>	+ 5. EXCLUSIONS – APPLYING TO THIS EXTENSION	25
<b>SECTION 1 – MACHINERY INSURANCE</b>	<b>12-16</b>	<b>BUSINESS INTERRUPTION EXTENSIONS FOR SECTIONS 1 AND/OR 2 – LOSS OF GROSS RENTALS AND ADDITIONAL INCREASE IN COST OF WORKING</b>	<b>26-27</b>
SCOPE OF COVER	12	+ 1. DEFINITIONS – APPLYING TO THIS EXTENSION	26
ADDITIONAL COVER	12	+ 2. SCOPE OF COVER	26
1. BASIS OF SETTLEMENT	12	+ 3. BASIS OF SETTLEMENT	26
2. EXCLUSIONS – APPLYING TO SECTION 1 AND ALL EXTENSIONS	12	+ 4. ADDITIONAL EXCLUSIONS	27
3. SPECIAL CONDITIONS – APPLYING TO SECTION 1	13	+ 5. SPECIAL CONDITIONS	27
+ EXTENSIONS	14	+ 6. EXCESS	27
1. THIRD-PARTY LIABILITY	14	+ 7. SUM INSURED	27
2. DETERIORATION OF STOCK IN COLD STORAGE	15		
3. INCREASED COST OF WORKING	16		
4. ELECTRONIC DATA AND ELECTRONIC DATA MEDIA	16		

---

**BUSINESS INTERRUPTION EXTENSION FOR  
SECTIONS 1 AND/OR 2 – LOSS OF GROSS RENTALS  
AND ADDITIONAL INCREASE IN COST OF WORKING –  
STRATA PLAN 28-30**

+ 1. DEFINITIONS – APPLYING TO THIS EXTENSION..	28
+ 2. SCOPE OF COVER.....	28
+ 3. BASIS OF SETTLEMENT .....	28
+ 4. ADDITIONAL EXCLUSIONS .....	29
+ 5. SPECIAL CONDITIONS.....	29
+ 6. SUBROGATION .....	30
+ 7. EXCESS .....	30
+ 8. SUM INSURED .....	30

**BUSINESS INTERRUPTION EXTENSIONS FOR  
SECTIONS 1 AND/OR 2 – LOSS OF GROSS REVENUE  
AND ADDITIONAL INCREASE IN COST OF WORKING 31-32**

+ 1. DEFINITIONS – APPLYING TO THIS EXTENSION..	31
+ 2. SCOPE OF COVER.....	31
+ 3. BASIS OF SETTLEMENT .....	31
+ 4. ADDITIONAL EXCLUSIONS .....	32
+ 5. SPECIAL CONDITIONS.....	32
+ 6. EXCESS .....	32
+ 7. SUM INSURED .....	32

**CONDITIONS AND EXCLUSIONS  
APPLYING TO ALL SECTIONS 33-34**

+ 1. CONDITIONS .....	33
+ 2. EXCLUSIONS .....	34

---

# About this Booklet



There are two parts to this booklet. The first part is important information about this **policy** including information about how QBE and 360 Construction will protect **your** privacy and how to make a complaint or access QBE's dispute resolution service.

The second part is **your policy** wording which sets out the detailed terms, conditions and exclusions of the **policy**.

Because QBE and 360 Construction don't know **your** own personal circumstances, **you** should treat any advice in this booklet as purely general in nature. It doesn't consider **your** objectives, financial **situation** or needs. **You** should carefully consider the information provided with regard to **your** personal circumstances to decide if it's right for **you**.

## For More Information or to Make a Claim

Please take the time to read through this booklet and if **you** have any questions, need more information or to confirm a transaction, please contact:

- + **your** financial services provider. The contact details for **your** financial services provider are set out in the documentation they give **you**.

The section titled *Claims and repair procedure* at the end of this booklet tells **you** the full details about what **you** need to do in the event of a claim. If **you** would like to make a claim or to enquire about an existing claim please contact:

- + **your** financial services provider.

## About QBE

QBE Insurance (Australia) Limited **ABN 78 003 191 035**, **AFSL 239545** (QBE) is a member of the QBE Insurance Group of companies. QBE Insurance Group Limited **ABN 28 008 485 014** is the ultimate parent entity and is listed on the Australian Securities Exchange (ASX: QBE). **We** have been helping Australians protect the things that are important to them since 1886.

### QBE in the community

#### Premiums4Good™

**We** are committed to giving back to the communities that **we** operate in. Through Premiums4Good, **we** invest a portion of customer premiums into impact investments that aim to make positive environmental or social change, alongside a financial return. It's just another way **we** help in enabling a more resilient future.

## Who is the Insurer's Agent?

360 Construction and Engineering Pty Ltd **ABN 56 634 130 760** (360 Construction) is an Authorised Representative (**AR 1278878**) of 360 Underwriting Solutions Pty Ltd **ABN 18 120 261 270**, **AFSL 319181** (360 Underwriting). 360 Construction is the underwriting agency acting on behalf of QBE in relation to this **policy**.

In issuing this **policy**, 360 Underwriting and 360 Construction will be acting under an authority given to it by the Insurer. This means that when issuing this **policy**, 360 Underwriting and 360 Construction will be acting as an agent for the Insurer, not for **you**.

#### 360 Construction's contact details are:

Suite 1, Level 18, 201 Kent St  
Sydney, NSW 2000  
Telephone. 1800 411 580

**We, our, us,** means QBE Insurance (Australia) Limited (QBE).

**You** should contact 360 Construction in the first instance in relation to this insurance.

# Important Information



In this first part of the booklet **we** explain important information about this **policy** including how QBE, 360 Underwriting and 360 Construction will protect **your** privacy and how to make a complaint or access **our** dispute resolution service.

## General Insurance Code of Practice

QBE is a signatory to the General Insurance Code of Practice (Code) and is committed to providing high standards of service. The Code covers topics like buying insurance, how claims are handled, what happens if financial hardship occurs, and complaint handling. **You** can read the Code at [codeofpractice.com.au](http://codeofpractice.com.au)

The Code Governance Committee is an independent body that monitors and enforces insurers' compliance with the Code. For more information about the Code Governance Committee please visit [insurancecode.org.au](http://insurancecode.org.au)

**We** recognise that family and domestic violence is a complex issue and **we** take it seriously. For more information about support, **our** Family and Domestic Violence Customer Support Policy is available at [qbe.com/au](http://qbe.com/au)

## Privacy

QBE, 360 Underwriting and 360 Construction are committed to the safe and careful use of **your** personal information in the manner required by the *Privacy Act 1988* (Cth), the Australian Privacy Principles and the terms of this **policy**.

### 360

360 Underwriting and 360 Construction (together, 360 Entities) will collect personal information when **you** deal with 360 Entities (including its related companies, agents and suppliers) or QBE group. 360 Entities will use **your** personal information so they can do business with **you**, which includes issuing and administering products and services and processing claims.

Sometimes 360 Entities might send **your** personal information overseas. The locations 360 Entities send it to can vary and may include New Zealand, Singapore, Philippines, India, UK, countries within the European Union and the United States of America.

A copy of the 360 Underwriting Privacy Policy is located on the 360 website at [360uw.com.au](http://360uw.com.au)

### QBE

**We** take the security of **your** personal information seriously.

**We** will collect personal information directly from **you** when **you** deal with **us**, or sometimes through **our** agents, other companies in the QBE group or suppliers acting on **our** behalf. **We** will only ever collect the personal information **we** need in order to provide **our** services to **you**, such as issuing and administering **our** products and services and processing claims. **We** will obtain consent before collecting sensitive information, such as health information, unless

**we** are required or permitted by law to collect it without consent. Sometimes **we** may store and disclose **your** personal information overseas. When **we** do this, **we** ensure **your** information is retained in accordance with the Australian *Privacy Act 1988* and local privacy laws.

**Our** privacy policy describes in detail where and from whom **we** collect personal information, as well as where **we** store it and the full list of ways **we** could use it. **You** can find it at [qbe.com/au/about/governance/privacy-policy](http://qbe.com/au/about/governance/privacy-policy)

If **you** would like to access or correct **your** personal information please contact **us** at [customercare@qbe.com](mailto:customercare@qbe.com) or on 1300 650 503.

## Complaints

**We're** here to help. If **you're** unhappy with any of **our** products or services, or the service or conduct of any of **our** suppliers, please let **us** know and **we'll** do **our** best to put things right.

### Step 1 – Talk to us

**Your** first step is to get in touch with the team looking after **your** **policy**, direct debit, or claim. You'll find their contact details on **your** **policy** documents, letters, or emails from **us**. Please provide **our** team with as much information as possible so they can try to fix the problem quickly and fairly.

For additional assistance in lodging a complaint, please refer to [qbe.com/au](http://qbe.com/au)

### Step 2 – Customer Relations

If **your** complaint isn't resolved by the team looking after **your** **policy**, direct debit, or claim, **you** can ask them to refer **your** complaint on to **our** Customer Relations team. A Dispute Resolution Specialist will review **your** complaint independently and provide **you** with **our** final decision.

**You** can also contact the Customer Relations team directly:

Telephone. 1300 650 503  
Fax. (02) 8227 8594  
Email. [complaints@qbe.com](mailto:complaints@qbe.com)  
Post. GPO Box 219, Parramatta, NSW 2124

### Step 3 – Still not resolved?

If **we're** unable to resolve **your** complaint to **your** satisfaction within a reasonable time, or **you're** not happy with **our** final decision, **you** can refer **your** complaint for external dispute resolution by contacting the Australian Financial Complaints Authority (AFCA). **We** are a member of AFCA and their decisions are binding on **us**.

Telephone. 1800 931 678  
Email. [info@afca.org.au](mailto:info@afca.org.au)  
Post. GPO Box 3, Melbourne, VIC 3001

AFCA will inform **you** if **your** complaint falls within its jurisdiction. Time limits apply to most complaints to AFCA. For more information, visit [www.afca.org.au](http://www.afca.org.au)

### More information

**You** can find more information about how **we** deal with complaints on **our** website at [qbe.com/au](http://qbe.com/au) or **you** can call **us** on **133 723** to speak with **us** or request a copy of **our** complaints brochure at no charge by **us**.

### Complaints just about privacy

If **you're** not happy with how **we've** handled **your** personal information, call **us** on **1300 650 503** or email **us** at [customercare@qbe.com](mailto:customercare@qbe.com). If **you're** not satisfied with **our** response, **you** can contact the Office of the Australian Information Commissioner (OAIC):

Telephone. 1300 363 992  
Email. [enquiries@oaic.gov.au](mailto:enquiries@oaic.gov.au)  
Post. GPO Box 5218, Sydney, NSW 2001

## Contacting 360 Construction

### How to contact 360 Construction

Telephone. 1800 411 580  
(Monday to Friday from 9am to 5pm,  
Sydney time, except on public holidays)  
Post. Suite 1, Level 18, 201 Kent St,  
Sydney, NSW 2000  
Email.  
+ [privacy@360uw.com.au](mailto:privacy@360uw.com.au), to contact us about  
privacy or your personal information;  
+ [executive@360uw.com.au](mailto:executive@360uw.com.au), to give feedback or  
pay a compliment.

## Cooling Off Period

If **you** change **your** mind about **your** policy and haven't made a claim, **you** can cancel it within 21 days of the start or renewal date and **we'll** give **you** a full refund. If **you** cancel **your** policy in these circumstances, **you** will have no cover under the **policy**.

To cancel **your** policy within the cooling off period, contact **your** financial services provider.

**You** can also cancel **your** policy outside the cooling off period, see '**Cancellations**' under the section titled **Conditions and Exclusions Applying to all Sections**.



# Policy Wording



This **policy** is underwritten by QBE Insurance (Australia) Limited  
ABN 78 003 191 035, AFSL 239545.

## Our Agreement

Your **policy** is an agreement between **you** and **us**, made up of:

- + this **policy** wording;
- + **your schedule**, which sets out the cover **you** have chosen and any terms specific to **you**.

The cover under this **policy** is provided during the **period of insurance**, once **you** have paid **us** your premium. There are also:

- + conditions and exclusions which apply to specific covers or sections;
- + general exclusions, which apply to any claim you make under this **policy**;
- + general conditions, which set out your responsibilities under this **policy**;
- + claims conditions, which set out our rights and your responsibilities when you make a claim; and
- + other terms, which set out how this **policy** operates.

## Excess

**You** must pay any excesses which apply to **your** claim. The excesses which **you** have to pay are set out in this **policy** wording or on **your schedule**.

## How Much We Will Pay

The most **we** will pay for a claim is the **sum insured** which applies to the cover or section **you're** claiming under, less any **excess**.

## Paying Your Premium

**You** must pay **your** premium by the due date shown on **your schedule** to ensure **you** are covered. If **you** don't pay the premium **your policy** may be cancelled and **we'll** write to let **you** know when this will happen.

# Definitions

The words and terms used throughout this **policy** have special meanings set out below. These words are in **bold**.

Where other words and terms are only used in one section of the **policy**, **we** will describe their special meaning in that section.

**Boilers, pressure vessels and pressure pipe systems** means:  
The permanent structure of those **insured items** which are subject to internal steam, gas or fluid pressure (other than atmospheric pressure) including all direct attachments connected to the permanent structure.

**Business** means:  
**Your** activities and operations specified in the **schedule**.

**Dollar excess** means:  
The amount(s) as specified in the **schedule** that **you** shall first contribute towards each claim, arising out of the one event or occurrence.

**Electronic data** means:  
The information stored on the **electronic data media**.

**Electronic data media** means:  
The various materials on which **electronic data** can be stored, such as magnetic tapes, floppy disks, cartridges, CD's, DVD's, Hard Disk Drives, Solid State Drives and other types of storage device other than paper records.

**Electronic plant** means:  
All computers, word processors including all ancillary equipment attached thereto, **software**, other electronic equipment and associated air conditioning equipment as specified in the **schedule** as **insured items**.

**Excess** means:  
The amount(s) specified in the **schedule** or as provided in the two policies that **you** shall first contribute towards each claim, or series of claims arising out of the one event or occurrence. The excess may be a **dollar excess** or a time excess. **We** will subtract the applicable excess from the claim otherwise payable and **we** will then pay to **you** the amount of loss or damage up to the applicable **sum insured** less the applicable excess.

**Indemnity period** means:  
The period beginning with the occurrence of the **insured damage** and ending no later than the number of months specified in the **schedule** during which the results of the **business** shall be affected in consequence of the **insured damage**.

**Initial Commissioning** means:  
Initial commissioning shall be deemed to have been completed when an **insured item** or **electronic plant** has been installed at a **situation** and tested, including any performance and operational testing for a minimum of eight (8) continuous hours and receiving any required statutory certification and contractually accepted by **you**, without reservation or waiver of warranty conditions.

**Insured damage** means:  
Sudden and unforeseen physical loss of or damage to an **insured item** or **electronic plant** which occurs at the **situation** during the **period of insurance** and which requires immediate repair or replacement to allow continuation of use.

**Insured item** means:

- a. Where blanket cover is selected and noted on the **schedule**:
  - I. Any item of **Plant and Machinery** and;
  - II. Any item of **Electronic Plant**
- b. Where specified items cover is selected and noted on the **schedule**, cover will apply to the individual items listed on the **schedule**;

belonging to the insured whilst at a **Situation**.

**Insurer** means:  
QBE Insurance (Australia) Limited (QBE).

**Period of insurance** means:  
The **period of insurance** referred to in the current **schedule**.

**Plant and Machinery** means:  
Electrical and mechanical items including electronic and other integral parts of the **insured items** including any inbuilt **software**, including **Boilers, Pressure Vessels and Pressure Pipe Systems**.

**Policy** means:  
This **policy** wording, **your schedule** and any future documents issued to **you** which amends the **policy** wording or **schedule**.

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

**Schedule** means:  
The **policy schedule** or any endorsement attaching thereto issued by **us**.

**Situation** means:  
The **situation** or **situations** specified in the **schedule**.

**Software** means:  
The collection of programs which cause a computer to perform a desired operation or series of operations.

**Stock** means:  
The items of **stock** as specified in the **schedule**.

**Sum insured** means:

- a. The maximum amount that **we** will pay for any one claim for the section of cover selected as specified in the **schedule**; or,
- b. The sums stated opposite each **insured item** as specified in the **schedule** and applies where specified items cover has been selected.

**Time excess** means:

The number of operating days specified in the **schedule** during which **you** must bear the loss.

**We/our/us** means:

QBE Insurance (Australia) Limited (QBE).

**You/your** means:

The person(s) named in the **schedule**, as the Insured.

# Section 1 - Machinery Insurance

## Scope of Cover

If any **insured item** or any part of an **insured item** specified in the **schedule**, suffers **insured damage** we will indemnify **you** in respect of such loss or damage as provided in the basis of settlement clause. This insurance applies whilst the **insured item** is within the **situation** and working or at rest or being dismantled, moved, reassembled or reinstalled for the purpose of cleaning, adjustment, inspection, repair, overhaul or relocation but only after completion of successful **initial commissioning** at the **situation**.

## Additional Cover

We will indemnify **you** for loss of or damage to property not insured under this **policy** which is owned by **you** or if **you** are responsible for loss of or damage to it provided:

- + that loss or damage occurred within the **situation** during the **period of insurance** as a direct result of impact from part of an **insured item** and;
- + the loss or damage is directly caused by **insured damage** and occurs in circumstances where cover is provided and not excluded under the **policy**; and provided

We will not pay more than the **sum insured** as specified in the **schedule** for that **insured item** as specified in the **schedule** for loss of or damage to the uninsured item.

## 1. Basis of Settlement

- 1.1 In the event of **insured damage** under this **policy** we will, after consultation with **you**, either pay **you**:
- a. up to the **sum insured** less the applicable **excess**, or
  - b. the reasonable cost of repairs or replacement necessary to return the **insured item** to its former state of operation including:
    - I. cost of dismantling, re erection and removal of debris;
    - II. replacement of refrigerant lost from an **insured item** as a direct result of **insured damage**;
    - III. charges for overtime and work on public holidays where necessarily and reasonably incurred;
    - IV. carriage by express passenger, fast goods or other rail or road transport; and
    - V. carriage by air freight via licensed airline(s) operating a regular **scheduled** service but not by aircraft chartered for such carriage, unless agreed in writing with the **Insurer(s)**; and
    - VI. hire of a temporary replacement item during the time taken to repair damage to any **insured item** and
    - VII. Any customs duties and dues

Provided the total of all these costs in clauses 1.1(b)(III), 1.1(b)(IV), 1.1(b)(V) and 1.1(b)(VI) are limited to 50% of the normal cost of repair payable under this **policy**.

- 1.2 All **insured damage** which can be repaired must be repaired, however should the item be uneconomical to repair due solely to the nature of the **insured damage**, settlement will be as follows:

- a. the cost of replacement of the **insured item** by an item of similar function, type, capacity and quality in a condition equal to, but not better than, the condition of the **insured item** when new; or
- b. the **sum insured** for the **insured item**.

We will pay the lesser of 1.2(a) and 1.2(b).

- 1.3 We shall not be required to replace exactly the **insured item**, but only as circumstances permit;
- 1.4 The value of any salvage will be subtracted from any amount payable under this **policy**;
- 1.5 The **sum insured** for **insured items** specified in the **schedule** shall be automatically reinstated following **insured damage** for no extra premium;
- 1.6 The amount of each claim otherwise payable shall be reduced by the amount of the **excess** shown in the **schedule**;
- 1.7 Notwithstanding any other clause in this **policy**:
- a. our liability under this **policy** shall not exceed the **sum insured** in respect of the **insured item** which has suffered **insured damage**; or
  - b. in the case of a blanket **policy** our liability under this **policy** shall not exceed the **sum insured** for Section 1 irrespective of whether one or more **insured items** suffer **insured damage**.

## 2. Exclusions Applying to Section 1 and all Extensions

### We will not pay for

- 2.1 Loss or damage caused by or arising from:
- a. fire, smoke or soot;
  - b. extinguishing a fire including subsequent demolition or repair work;
  - c. lightning;
  - d. chemical explosion (other than explosion of flue gas in **boilers**);
  - e. impact of land-borne vehicle, aircraft or waterborne craft;
  - f. earthquake, subterranean fire or volcanic eruption;
  - g. landslip or subsidence;
  - h. storm, tempest, flood, windstorm or cyclone;
  - i. water escaping, discharged or leaking from any source which is external to the **insured item**;

- j. theft or burglary;
  - k. intentional or malicious damage; or
  - l. the carrying out of tests involving abnormal stresses, including the intentional overloading of any **insured item**.
- 2.2 The cost of:
- a. replacement of expendable items such as belts, filters, fuses, electric heating elements, electrical contacts, thermostats, TX valves, cutting blades, crushing surfaces, glass or porcelain, ceramics, chains, seals, links, dies and moulds, conveyor belting lubricants and fuel;
  - b. replacement of component parts worn through normal machine operation;
  - c. adjustment, cleaning, purging or recharging of refrigeration or air conditioning equipment;
  - d. repairs to piping and other ancillary systems due to cracking of pipe work other than refrigeration or air conditioning pipe work; or
  - e. replacement of refractory or brickwork forming part of an **insured item**.

unless necessary as part of the rectification of **insured damage** not otherwise excluded under this **policy**.

- 2.3 The cost of:
- a. maintenance work including but not limited to the tightening of loose parts, recalibration or adjustments;
  - b. alteration, additions, improvements or overhauls whether carried out in the course of indemnifiable repairs or as a separate operation;
  - c. replacement or repair, caused by gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation);
  - d. replacement of reticulating liquid and gas piping and ducting;
  - e. repair of scratches, chipping or discolouration to painted or polished surfaces;
  - f. repair of slowly developing deformation or distortion of any part;
  - g. repair of blisters, laminations, flaws or grooving even when accompanied by leakage;
  - h. repairs to water or steam valves, fittings, glands, joints, gaskets, pipes, lines and connections which are defective or leaking;
  - i. repairs to shaft keys requiring tightening, fitting or renewal;
  - j. damage caused by the movement of foundations, masonry or brick work; or

- k. removal or installation of underground pumps and well casings; unless specifically noted on the **schedule**, this exclusion does not include submersible pumps.
- 2.4 Consequential loss of any kind or description whatsoever.
- 2.5 **Damage** to any item being moved caused by dual lifting.
- 2.6 Anything to the extent **you** are entitled to recover the costs of labour or parts under a maintenance agreement, warranty, guarantee or indemnity in **your** favour by the manufacturer of the relevant item or any other person.
- 2.7 Damage to **electronic data** and **electronic data media**, subject to any extension selected by **you**.

### 3. Special Conditions – Applying to Section 1

- 3.1 **You** shall take all reasonable precautions to prevent loss or damage and **you** shall comply with all statutory requirements and manufacturers' recommendations relating to maintaining, operating and safeguarding the **insured items** and in the event of **insured damage** occurring **you** shall do all things reasonably necessary and reasonably available to reduce the amount of any loss, damage or liability.
- 3.2 This insurance only applies after completion of successful **initial commissioning**.

The sums insured for material damage shall be automatically reinstated following **insured damage** for no extra premium.

# Section 1 - Extensions

## 1. Third-Party Liability

Applies where indicated on the **schedule** as being operative.

### 1.1 Definitions applying to this extension

**Compensation** means:

Money payable by **you** by reason of a judgement ordered by a court of competent jurisdiction or by reason of any settlement of any claim negotiated with **our** consent, but does not include any money payable by way of any fine or penalty or punitive, exemplary or aggravated damages.

**Limit of liability** means:

The amount or amounts specified in the **schedule**.

**Personal injury** means:

Bodily injury, sickness or disease, including death at any time resulting therefrom or shock, fright, mental anguish or mental injury.

**Property damage** means:

- + physical damage to or loss or destruction of tangible property including the loss of use thereof at any time resulting therefrom; or
- + loss of use of tangible property which has not been physically damaged or destroyed provided such loss of use is caused directly and solely by the sudden and unforeseen physical loss of or damage to **your** certifiable **boiler(s)** and pressure vessel(s) specified in the **schedule** and occurring during the **period of insurance**.

**You/your** means:

The Insured named in the **schedule** including, as if they were **you**:

- I. wholly owned subsidiary companies (existing at the inception date of this **policy** or acquired during the **period of insurance**) which are incorporated within Australia and carry on the **business** but excluding interests or liabilities of other parties in joint venture with **you** or any such companies unless such interests or liabilities are specifically included in the **schedule** or by endorsement to this **policy**;
- II. any of **your** directors, executive officers or employees or company designated in paragraph (i) but only whilst acting within the scope of their duties in such capacity.

This extension will cover a claim against any Insured by a third-party who is also an Insured in paragraph (i) and for this purpose only, this extension will be treated as a separate contract between each Insured in the above definition on the one hand and **us** on the other hand but nothing in this clause increases the **limit of liability**.

### 1.2 Scope of cover

**We** will pay:

- a. all sums which **you** become legally liable to pay by way of **compensation**;
- b. all costs awarded against **you**.

In respect of **personal injury** or **property damage** caused directly and solely by the sudden and unforeseen physical loss of or damage to **your** certifiable **boilers** or **pressure vessels** specified in the **schedule** and occurring during the **period of insurance**, less any applicable **excess**.

### 1.3 Defence of claims

With respect to the indemnity provided by this section **we** will:

- a. defend in **your** name and on **your** behalf any claim or legal action against **you** seeking damages on account of **personal injury** or **property damage** even if the action is groundless, false or fraudulent, and **we** will investigate, negotiate and settle any claim or legal action as **we** see fit;
- b. pay all legal costs and expenses incurred by **us** and all interest accruing after entry of judgement until **we** have paid, tendered or deposited in court such part of the judgement as does not exceed the limit liability;
- c. reimburse **you** for all reasonable expenses, other than loss of earnings, incurred in connection with the defence of a claim or legal action with **our** consent;
- d. pay reasonable expenses incurred by **you** for first aid to others at the time of **personal injury** caused by an occurrence (other than medical expenses prohibited by Section 126 of the *Health Insurance Act 1973 (Cth)*).

Provided that:

- e. **we** will not be obliged to pay any claim or judgement or to defend any claim or legal action after the **limit of liability** has been exhausted by payment of judgements or settlements;
- f. if a payment exceeding the **limit of liability** has to be made to dispose of a claim, **our** liability to pay any costs and expenses under section 1.3 will be limited to that proportion of those costs, expenses and interest as the **limit of liability** bears to the amount paid to dispose of the claim.

The amounts thus incurred, except payments in settlement of claims, suits and all costs awarded against **you**, are payable by **us** in addition to the **limit of liability**.

### 1.4 Limit of liability

**Our** maximum liability in respect of any claim or any series of claims for **personal injury** or **property damage** caused by or arising out of one occurrence shall not exceed the **limit of liability**.

## 1.5 Exclusions applying to this extension

In addition to the exclusions contained in *Section 1* applying to this extension, **we** will not pay for:

- a. **personal injury** to any person:-
  - I. arising out of or in the course of the employment of such person employed by **you**; or
  - II. employed by **you** and which claims arise from a liability imposed by an industrial award or agreement or determination, Workers **Compensation** or Accident **Compensation** Legislation or Law.
- b. **property damage** to property which is:
  - I. owned, leased or rented by **you**; or
  - II. in **your** physical or legal control or in the physical or legal control of **your** employees.
- c. **personal injury** or **property damage** caused by or arising out of the discharge, dispersal, release or escape of **pollutants** into or upon land, the atmosphere, or any water course or body of water, provided that this exclusion *1.5(c)* does not apply if such discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended and takes place in its entirety at a specific time and place;
- d. any costs and expenses incurred in the prevention, removing, nullifying or clean-up of such **pollutants** provided that this exclusion *1.5(d)* shall not apply to clean-up, removal or nullifying expenses only which are consequent upon a sudden, identifiable, unexpected, unintended happening taking place in its entirety at a specific time and place which results in **personal injury** or **property damage**.
- e. liability resulting from the existence, mining, handling, processing, manufacture, sale, distribution, storage or use of asbestos, asbestos products and/or products containing asbestos.

**Our** liability under clauses *1.5(c)* and *1.5(d)* in respect of any one discharge, dispersal, release or escape and for all discharges, dispersal, release and escape of **pollutants** during any one **period of insurance** shall not exceed the **limit of liability**.

## 1.6 Claims provisions and procedure applying to this extension

- a. **you** shall as far as reasonably practical preserve all evidence relevant to any claim;
- b. **you** shall not voluntarily make any payment or admission or offer or incur any expense (other than first aid to others at the time of the occurrence) in connection with any occurrence or claim without **our** written consent;

- c. **we** shall be entitled to take over and conduct in **your** name the defence of any claim and negotiations and settlement of any claim;
- d. **we** shall be entitled to prosecute in **your** name at **our** expense and for **our** own benefit any claim for indemnity or damages or otherwise.

**We** may take action under clauses *1.6(c)* and *1.6(d)* before **we** have paid **your** claim and whether or not **you** have been fully compensated for **your** actual loss.

## 2. Deterioration of Stock in Cold Storage

Applies where indicated on the **schedule** as being operative.

### 2.1 Scope of cover

**We** will indemnify **you** up to the **sum insured** for loss of or damage to the **stock** as specified whilst contained in the cold storage spaces cooled by the **insured items** nominated in the **schedule** and caused by deterioration or putrefaction as a result of:

- a. **insured damage** to the refrigeration machinery;
- b. operation of or failure to operate, controls or protective devices within the refrigeration machinery; but this does not include loss caused by the manual operation or manual setting of controls or protective devices;
- c. contamination of the stored **stock** by the accidental escape of refrigerant into the cold chamber;
- d. sudden leakage of refrigerant from the refrigeration machinery or pipe systems forming part of the refrigeration machinery occurring during the **period of insurance** at the **situation**; or
- e. sudden and unforeseen failure of the public power supply.

### 2.2 Basis of settlement

- a. **we** will pay the cost of replacement of the lost or damaged **stock** calculated immediately prior to the loss or damage occurring, but **we** will not pay more than the **sum insured** stated in the **schedule** for the **stock** less the applicable **excess**;
- b. the amount of each claim otherwise payable shall be reduced by the amount of the **excess** shown in the **schedule**.



### 2.3 Exclusions – applying to this extension

In addition to the exclusions contained in *Section 1* applying to this extension, **we** will not pay for:

- a. any loss or damage due to shrinkage, inherent defects or diseases;
- b. loss or damage caused by improper storage, collapse of the packing material or storage structure;
- c. penalties for delay or detention or consequential loss or damage or liability of any nature whatsoever; and
- d. loss or damage following loss of public power supply due to:
  - I. the deliberate act of any public power supply authority;
  - II. the decision by any public power supply authority to restrict or withhold supply;
  - III. shortage of power generation fuel or water.

### 2.4 Special conditions

- a. an increase of thirty percent (30%) in the limit of indemnity under this extension shall apply during the following periods (unless otherwise shown in the **schedule**):
  - I. from sixty (60) days before Christmas Day to the tenth day following, both days inclusive;
  - II. from thirty (30) days before Easter Sunday to the tenth day following, both days inclusive.
- b. the **sum insured** under this extension shall be automatically reinstated following **insured damage** for no extra premium.

## 3. Increased Cost of Working

Applies where indicated on the **schedule** as being operative.

### 3.1 Scope of cover

**We** will indemnify **you** as set out in *3.2* below up to the **sum insured** for any additional costs of operating **your business** directly resulting from an interruption or interference to **your business** as defined in the **schedule** but only if:

- a. the interruption or interference is as a result of **insured damage** to any **insured item(s)** covered under *Section 1*; and
- b. the interruption or interference is caused solely as a result of **insured damage**.

**We** will deduct from the amount payable by **us** any sum saved during the **indemnity period** in respect of charges and expenses of the **business** which may cease or be reduced as a result of the **insured damage**. The amount payable will not exceed the amount by which the financial loss suffered by the **business** is reduced by the incurring of the increase in cost of working.

### 3.2 Basis of settlement

- a. **we** will pay **you** for any additional costs of operating **your business** which directly result from an interruption or interference and which are reasonable and necessarily incurred over and above those expenses which **you** would have incurred to maintain normal **business** operations in the absence of the **insured damage**;
- b. **we** will only pay for such additional costs incurred during the **indemnity period** stated in the **schedule** and **we** shall not pay more than the **sum insured** shown in the **schedule**;
- c. the **indemnity period** and the **time excess** commences at the time of the occurrence of the **insured damage**;
- d. **we** will not be liable for loss, damage or costs incurred by **you** during the **time excess**;
- e. the amount of each claim otherwise payable shall be reduced by the amount of the **excess** shown in the **schedule**.

### 3.3 Exclusions – applying to this extension

(In addition the exclusions contained in *Section 1* apply to this extension) **we** will not pay for:

- a. costs with respect to any interruption or interference caused by the carrying out of maintenance, alterations, additions, cleaning or improvements;
- b. fines or damages resulting from breach of contract or law as a result of any interruption or interference; or
- c. consequential loss of any kind or description whatsoever.

## 4. Electronic Data and Electronic Data Media

Applies where indicated on the **schedule** as being operative.

### 4.1 Scope of covers

**We** will indemnify **you** for **insured damage** to the **electronic data** and **electronic data media** insured under this extension as specified in the **schedule** caused solely as the result of **insured damage** covered under *Section 1* to an **insured item**.

### 4.2 Basis of settlement

**We** will pay **you** for **insured damage** up to the **sum insured** less the applicable **excess** including:

- a. the actual cost of replacement of lost or damaged **electronic data media** by new unused materials;
- b. any expenses which can be proved to have been incurred by **you** only for the purpose of restoring the **electronic data** by reproduction of data or



information in a condition equivalent to that existing prior to **insured damage** and necessary to allow operation of the **insured item** to continue in the normal manner. Lost **electronic data** may be reproduced in an updated form if the cost of doing so is no greater than that of reinstatement in the original form.

And provided:

- c. we shall only be liable for costs and expenses incurred within a period of twelve (12) months following the **insured damage** within the **period of insurance**.
- d. this extension only applies whilst the insured **electronic data media** is: at the **situation**; at a media storage **situation**; or temporarily at an alternative **situation** for processing purposes or in transit between any of these **situations**. the amount of each claim otherwise payable shall be reduced by the amount of the **excess** shown in the **schedule**.

### 4.3 Exclusions – applying to this extension

In addition the exclusions contained in *Section 1* apply to this extension we will not pay for:

- a. loss or distortion of **electronic data** contained on the **electronic data media** while mounted in or on any machine for use of processing unless such loss or distortion occurs:
- b. at the **situation** due to **insured damage** to an **insured item**; or
- c. at another **situation** temporarily for processing purposes due to **insured damage** to the **insured item** which would be indemnifiable if the **insured item** were insured under *Section 1*.
- d. loss or distortion caused by computer virus being an executable program or computer code segment that is self-replicating, requires a host program or executable disc segment in which it can be contained and which destroys or alters the host program or other computer code or data causing undesired program or **computer system** operation.
- e. wasting or wearing away or wearing out caused by or naturally resulting from ordinary use or working or gradual deterioration.
- f. loss or damage caused by atmospheric conditions, moisture or changes in temperature unless directly resulting from damage to air-conditioning equipment which would be indemnifiable if the equipment were insured under *Section 1*.

- g. consequential loss of any kind or description whatsoever.
- h. work undertaken without **our** approval other than for minor temporary or provisional repairs.
- i. There is no cover under this extension with respect to any **insured item** which has been operated without being satisfactorily repaired following **insured damage**.

### 4.4 Special condition – applying to extension 1

- a. it is a condition precedent to indemnity under this extension that **you** must have duplicate copies of updated file media stored off site at alternative premises.

# Section 2 - Electronic Plant Insurance

## Scope of Cover

If any item of **electronic plant** or any part of an item of **electronic plant** specified in the **schedule**, suffers **insured damage** we will indemnify **you**, as provided in the basis of settlement clause, in respect of the **insured damage** indicated by the terms of cover on the **schedule** **you** have selected. Cover under **Section 2** applies while the **electronic plant** is at the **situation** or is at other premises temporarily for the sole purpose of maintenance, repair or service.

## Terms of Cover

Where indicated on the **schedule** as being operative.

**Cover 1:** Comprises **insured damage** caused by fire, explosion, lightning, burglary, theft, malicious or accidental damage, impact, storm, tempest, flood, water, vibration, earthquake, power surge, low voltage, mechanical, electrical and electronic breakdown.

**Cover 2:** Comprises **insured damage** caused by fire, explosion, lightning, burglary, theft, malicious or accidental damage, impact, storm, tempest, flood, water, vibration and earthquake.

**Cover 3:** comprises **insured damage** caused by burglary, theft, malicious or accidental damage, vibration, power surge, low voltage, mechanical, electrical and electronic breakdown but does not include **insured damage** caused by fire.

**Cover 4:** Comprises **insured damage** caused by vibration, power surge, low voltage, mechanical electrical or electronic breakdown.

## Portable Electronic Plant Extension

Where indicated on the **schedule** as being operative extends the cover selected to cover **electronic plant** specified in the **schedule** for this extension whilst in transit anywhere within the territorial limits as specified in the **schedule**.

## 1. Basis of Settlement

- 1.1 In the event of **insured damage** to the item of **electronic plant** we will pay the cost of replacement or repairs necessary to return the **electronic plant** to its former state of operation including:
- cost of dismantling, re erection and removal of debris;
  - charges for overtime and work on public holidays where necessarily and reasonably incurred;
  - carriage by express passenger, fast goods or other rail or road transport;
  - carriage by air freight via licensed airline(s) operating a regular **scheduled** service but not by aircraft chartered for such carriage, unless agreed in writing with the **Insurer(s)**;

- hire of a temporary replacement item during the time taken to repair damage to any **Electronic Plant** provided that the costs in clauses **1.1(b)**, **1.1(c)**, **1.1(d)** and **1.1(e)** are limited to 50% of the normal cost of repair payable under this **policy**;

- any customs duties and dues.

- 1.2 No deduction will be made for depreciation of parts replaced except for valves, tubes (including picture and x-ray tubes) and light sources. We will deduct a proportion of the replacement cost of these items being the proportion which the period of use up to the time of failure, bears to the normal service life expected by the manufacturer or supplier.

- 1.3 All **insured damage** which can be repaired must be repaired, however should the item be uneconomical to repair due solely to the nature of the **insured damage**, settlement will be as follows:

- the cost of replacement of the **electronic plant** by an item of similar function, type, capacity and quality in a condition equal to, but not better than, the condition of the **electronic plant** when new;
- the **sum insured** noted on the **schedule**.

Our liability will be the lesser of **1.3(a)** or **1.3(b)** less the applicable **excess**.

- 1.4 The value of any salvage will be subtracted from the amount payable under this clause.
- 1.5 If more than one item of **electronic plant** is lost or damaged in one occurrence, we will apply only the highest of the **excess** applicable to such **electronic plant**.
- 1.6 The amount of each claim otherwise payable shall be reduced by the amount of the **excess** shown in the **schedule**.

## 2. Exclusions – Applying to Section 2 and all Extensions

### We will not pay for

- Damage to electronic data and electronic data media**, subject to any extension selected by **you**.
- Damage** caused by atmospheric conditions, moisture or change in temperature unless directly resulting from damage to or malfunction of air conditioning equipment.

- 2.3 The cost of:
- a. replacement of expendable items such as batteries, valves, x-ray and picture tubes, belts, chains, tapes, cards, ribbons, filters, tubes, electric heating elements or electrical contacts; or
  - b. replacement of component parts worn through normal use or operation.

unless necessary as part of the rectification of **insured damage** not otherwise excluded under this **policy**.

- 2.4 The cost of:
- a. maintenance work;
  - b. alterations, additions, improvements or overhauls whether carried out in the course of indemnifiable repairs or as a separate operation;
  - c. replacement or repair following gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation);
  - d. temporary repairs unless they constitute part of the final repairs and do not increase the total repair costs;
  - e. repairs of scratches to painted or polished surfaces; or
  - f. anything to the extent **you** are entitled to recover the costs of labour or parts under a maintenance agreement or warranty, guarantee or indemnity in **your** favour by the manufacturer of the relevant **electronic plant** or any other person.
- 2.5 Loss or damage caused by:
- a. theft by **you** or any of **your** employees or member of **your** family;
  - b. theft by any person to whom the **electronic plant** is on hire under any agreement for hire including any agreement for hire purchase or lease;
  - c. theft by any person for whose debt the **electronic plant** stands as security under or pursuant to any agreement entered into by any person insured under **Section 2**;
  - d. disappearance of any kind when the **electronic plant** is out of **your** physical possession, on hire, rental, lease or loan;
  - e. theft or attempted theft except whilst items of **electronic plant** are left unattended within a locked vehicle or otherwise properly secured at the **situation**;
  - f. **software** viruses or other disruptive programming techniques.
- 2.6 Consequential loss of any kind or description whatsoever, subject to any extension selected by **you**.

### 3. Special Conditions – Applying to Section 2

- 3.1 **You** shall take all reasonable precautions to prevent loss or damage and **you** shall comply with all statutory requirements and manufacturers' recommendations relating to maintaining, operating and safeguarding of the **electronic plant** and in the event of **insured damage** occurring **you** shall do all things necessary and reasonably available to reduce the amount of any loss, damage or liability.
- 3.2 This insurance only applies after completion of successful **initial commissioning**.
- 3.3 **You** shall notify the Police of all incidents involving loss or malicious damage from theft or burglary which might give rise to a claim under this **policy** and provide details of the report to **us**. **We** may need the police report number to process **your** claim or **our** recovery action if there is a third party who is liable for **your** loss.
- 3.4 The sums insured for material damage and extension 1 of **Section 2** shall be automatically reinstated following **insured damage** for no extra premium.

# Section 2 - Extensions

## 1. Electronic Data and Electronic Data Media

Applies where indicated on the **schedule** as being operative.

### 1.1 Scope of covers

We will indemnify **you** for **insured damage** to the **electronic data** and **electronic data media** insured under this extension as specified in the **schedule** caused solely as the result of **insured damage** covered under **Section 2** to an item of **electronic plant**.

### 1.2 Basis of settlement

We will pay **you** for **insured damage** up to the **sum insured** less the applicable **excess** including:

- a. the actual cost of replacement of lost or damaged **electronic data media** by new unused materials;
- b. any expenses which can be proved to have been incurred by **you** only for the purpose of restoring the **electronic data** by reproduction of data or information in a condition equivalent to that existing prior to **insured damage** and necessary to allow operation of the **electronic plant** to continue in the normal manner. Lost **electronic data** may be reproduced in an updated form if the cost of doing so is no greater than that of reinstatement in the original form.

And provided:

- c. **we** shall only be liable for costs and expenses incurred within a period of twelve (12) months following the **insured damage** within the **period of insurance**.
- d. this extension only applies whilst the insured **electronic data media** is:
  - I. at the **situation**;
  - II. at a media storage **situation**; or
  - III. temporarily at an alternative **situation** for processing purposes or in transit between any of these **situations**.
- e. the amount of each claim otherwise payable shall be reduced by the amount of the **excess** shown in the **schedule**.

### 1.3 Exclusions – applying to this extension

(In addition the exclusions contained in **Section 2** apply to this extension)

We will not pay for:

- a. loss or distortion of **electronic data** contained on the **electronic data media** while mounted in or on any machine for use of processing unless such loss or distortion occurs:

- I. at the **situation** due to **insured damage** to an item of **electronic plant**; or
- II. at another **situation** temporarily for processing purposes due to **insured damage** to the **electronic plant** which would be indemnifiable if the **electronic plant** were insured under **Section 2**.

- b. loss or distortion caused by computer virus being an executable programme or computer code segment that is self-replicating, requires a host programme or executable disc segment in which it can be contained and which destroys or alters the host programme or other computer code or data causing undesired programme or **computer system** operation;
- c. wasting or wearing away or wearing out caused by or naturally resulting from ordinary use or working or gradual deterioration;
- d. loss or damage caused by atmospheric conditions, moisture or changes in temperature unless directly resulting from damage to air-conditioning equipment which would be indemnifiable if the equipment were insured under **Section 2**;
- e. consequential loss of any kind or description whatsoever; or
- f. work undertaken without **our** approval other than for minor temporary or provisional repairs. There is no cover under this extension with respect to any **electronic plant** which has been operated without being satisfactorily repaired following **insured damage**.

### 1.4 Special condition – applying to extension 1

- a. it is a condition precedent to indemnity under this extension that **you** must have duplicate copies of updated file media stored off site at alternative premises.

## 2. Increased Cost of Working

Applies where indicated on the **schedule** as being operative.

### 2.1 Scope of cover

- a. **we** will indemnify **you** as set out in **2.2** below up to the **sum insured** for any additional costs of operating **your business** directly resulting from interruption or interference to **your business** as defined in the **schedule** but only if:
  - I. the interruption or interference is as a result of **insured damage** to **electronic plant** covered under **Section 2**; and

- II. the interruption or interference is caused solely as a result of **insured damage**;
- III. **we** will deduct from the amount payable by **us** any sum saved during the period of the interruption in respect of charges and expenses of the **business** which may cease or be reduced as a result of the **insured damage**, including any such savings occurring by reason of the interruption of the normal operation of the electronic operation of the data processing system.

The amount payable will not exceed the amount by which the financial loss suffered by the **business** is reduced by incurring the increase in cost of working.

## 2.2 Basis of settlement

- a. **we** will pay **you** for the additional expenditure incurred over and above the normal expenses which would have been incurred by **you** for the operation of **your electronic plant** by the use of substitute **electronic plant** to maintain normal **business** operation during the interruption up to the **sum insured** specified in the **schedule**, less the applicable **excess** including:
  - I. the actual hire charges incurred for the rental of substitute **electronic plant**; and
  - II. the cost of additional personnel and transport expenses incurred with the use of the substitute **electronic plant**.
- b. the **indemnity period** and the **time excess** shall commence upon the commencement of use of substitute **electronic plant**;
- c. **we** will be liable for additional expenditure incurred during the actual period of the interruption but not exceeding the period specified in the **schedule** as the **indemnity period**;
- d. the total of all claims payable under this extension during the **period of insurance** shall not exceed the aggregate of the **sum insured** stated in the **schedule**;
- e. **we** will not be liable for loss, damage or costs incurred by **you** during the **time excess**;
- f. the amount of each claim otherwise payable shall be reduced by the amount of the **excess** shown in the **schedule**.

## 2.3 Exclusions – applying to this Extension

(In addition the exclusions contained in *Section 2* apply to this extension)

**We** will not pay for:

- a. The costs incurred during:
  - I. interruption due to the carrying out of alterations, additions, or improvements to **electronic plant**;
  - II. interruption due to the carrying out of cleaning, adjustment, inspection or maintenance of **electronic plant**; or
  - III. the extension of any interruption due to any measure, restriction or regulation imposed by any government, public or local authority.
- b. additional costs incurred where the period of interruption otherwise applicable is increased beyond four (4) weeks due to delay in the repair or replacement of items manufactured outside Australia where such delay results from:
  - I. measures, restrictions or regulations imposed by any government or public or local authority;
  - II. the time required to procure replacement parts or complete items in overseas markets;
  - III. the time required to transport or ship component parts or complete items between the **situation** and any overseas place of repair or replacement; or
  - IV. the time required to engage and transport overseas specialists or consultants to assist in or supervise local repairs.

## 2.4 Special condition – applying to Extension 2

- a. for the purpose of this Extension 2 only, exclusion 2.4.(f) of *Section 2* does not apply.

# Business Interruption Extensions for Sections 1 and/or 2 - Loss of Gross Profit, Payroll and Increase in Cost of Working

Applies where indicated on the **schedule** as being operative.

## 1. Definitions – Applying to this Extension

**Annual turnover** means:

The **turnover** during the twelve (12) months immediately before the date of **insured damage**.

**Gross profit** means:

The amount by which the sum of the **turnover** and the value of the closing **stock** exceed the sum of the value of the opening **stock** and the amount of the **uninsured working expenses**. The values of the opening and closing stocks shall be arrived at in accordance with **your** normal accountancy methods, due provision being made for depreciation.

**Payroll** means:

The remuneration (including but not limited to **payroll** tax, fringe benefits tax, bonuses, holiday pay, sick pay, workers **compensation**, insurance premiums, superannuation and pension fund contributions and the like) paid to or on behalf of all employees employed in **your business**.

**Rate of gross profit** means:

The **rate of gross profit** earned on the **turnover** during the financial year immediately before the date of the **insured damage**.

**Rate of payroll** means:

The **rate of payroll to turnover** during the financial year immediately before the occurrence of the **insured damage**.

Adjustments shall be made to the **rate of gross profit**, **annual turnover**, standard and **rate of payroll turnover** as may be necessary to provide for the trend of **your business** and for variations in or special circumstances affecting **your business** either before or after the **insured damage** or which would have affected **your business** had the **insured damage** not occurred, so that the figures thus adjusted represent as nearly as may be reasonably practicable the results which but for the **insured damage** would have been obtained during the relative period after the **insured damage**.

**Standard turnover** means:

The **turnover** during that period in the twelve (12) months immediately before the date of the **insured damage** which corresponds to the **indemnity period**.

**Turnover** means:

The money (less discounts allowed) paid or payable to **you** for goods sold and delivered and for services rendered in the course of **your Business** at the premises.

**Uninsured working expenses** means:

All purchases (less discounts received):

- + carriage, packing and freight;
- + discounts allowed;
- + bad debts;
- + other **uninsured working expenses** as specified in the **policy**.

## 2. Scope of Cover

We will indemnify **you** during the **period of insurance** for actual loss of **gross profit** suffered by **you** due to a reduction in **turnover** and increase in the cost of working, solely as the result of **insured damage** to an **insured item(s)** or **electronic plant** covered under **Sections 1** or **2** as specified in the **schedule**.

Provided that the amount payable as indemnity is calculated as set out in 3 basis of settlement less the applicable **excess**.

## 3. Basis of Settlement

The amount payable shall be:

**3.1** In respect of reduction in **turnover**:

The sum produced by applying the **rate of gross profit** to the amount by which the **turnover** during the **indemnity period**, in consequence of the **insured damage**, falls short of the **standard turnover**.

**3.2** In respect of increase in cost of working:

The additional expenditure (subject to the provisions of condition **4.5**) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **turnover** which but for that expenditure would have taken place during the **indemnity period** in consequence of the **insured damage**, but not exceeding the sum produced by applying the **rate of gross profit** to the amount of the reduction thereby avoided.

Less any sum saved during the indemnify period in respect of the charges and expenses of **your business** payable out of the **gross profit** as may cease or be reduced in consequence of the **insured damage**.



Provided that if the **sum insured** hereunder is less than the sum produced by applying the **rate of gross profit** to the **annual turnover**, (or its proportionately increased multiple thereof, where the **indemnity period** exceeds twelve months) the amount payable shall be proportionately reduced.

- 3.3 In respect of any such professional fees and such other reasonable expenses necessarily incurred by **you**, for preparation of claims under this **policy**.
- 3.4 In respect of **payroll** (dual basis) the amount payable shall be:
- a. in respect of reduction of **turnover**
    - I. during the portion of the **indemnity period** beginning with the occurrence of the **insured damage** and ending not later than the number of weeks thereafter specified in the **schedule**, the sum produced by applying the **rate of payroll** to the shortage in **turnover** during the portion of the **indemnity period** less any saving during the said portion of the **indemnity period** through reduction in the amount of **payroll** paid in consequence of the **insured damage**;
    - II. during the remaining portion of the **indemnity period** the sum produced by applying the **rate of payroll** to the shortage in **turnover** during that remaining portion of the **indemnity period** less any saving during that period through reduction in the amount of **payroll** paid but not exceeding the sum produced by applying the percentage of the **rate of payroll** specified in the **schedule** to the shortage in **turnover** during the said remaining portion of the **indemnity period**, increased by such amount as is deducted for savings under the terms of *Clause 3.4.(a)(i)*.

At **your** option the number of weeks referred to in *Clause 3.4(a)(i)* above may be increased to the number of weeks specified in the **schedule** under the heading consolidation period provided that the amount arrived at under the provisions *Clause 3.4.(a)(ii)* shall not exceed such amount as is deducted under *Clause 3.4(a)(i)* for savings effected during the said increased number of weeks.

- b. in respect of Increased cost of working
  - I. the amount of the additional expenditure described in *Clause 3.2* as exceeds the amount payable thereunder but not more than the additional amount which would have been payable in respect of **payroll** to the **annual turnover** under the provisions of *Clauses 3.1 and 3.2* of this Item had such expenditure not been incurred.

Provided that if the limit of indemnity by this item is less than the sum produced by applying the **rate of payroll** to the **annual turnover** (or its proportionately increased multiple thereof, where the **indemnity period** exceeds twelve (12) months), the amount payable shall be proportionately reduced.

- 3.5 In respect of **payroll** (period basis) for the period beginning with the occurrence of the **insured damage** and ending not later than the number of weeks thereafter specified in the **schedule**.
- a. the amount payable shall be the actual amount which **you** shall pay as **payroll** for such period to employees whose services cannot in consequence of the **insured damage** be utilised by **you** at all and an equitable part of the **payroll** paid for such period to employees whose services cannot in consequence of the **insured damage** be utilised by **you** to the full;
  - b. provided that if the limit of indemnity for this item be less than the aggregate amount of the **payroll** that would have been paid during the same number of weeks specified in the **schedule** immediately following the occurrence of the **insured damage** had the **insured damage** not occurred the amount payable shall be proportionately reduced.
- 3.6 In respect of such further additional expenditure beyond that recoverable under *Clauses 3.2* and *3.5* as **you** shall necessarily and reasonably incur during the **indemnity period** in consequence of the **insured damage** for the purpose of avoiding or diminishing the reduction in **turnover** or resuming or maintaining **your business**.

Provided **our** liability shall in no case exceed the **sum insured** less the applicable **excess** as specified in the **schedule**.

- 3.7 The **indemnity period** and the **time excess** commences at the time of the occurrence of the **insured damage**. **We** will not be liable for loss, damage or costs incurred by **you** during the **time excess**.
- 3.8 The amount of each claim otherwise payable shall be reduced by the amount of the **excess** shown in the **schedule**.

## 4. Conditions – Applying to this Extension

- 4.1 If during the **Indemnity period** goods are sold or services are rendered for the benefit of **your business** either by **you** or by others on **your** behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the **turnover** during the **indemnity period**.
- 4.2 The premium shown is provisional and is calculated on the annual **gross profit** and insured **payroll** (or appropriately increased if the **indemnity period** exceeds twelve (12) months) estimated to apply during the period referred to in 4.3(a) below, on the commencement day of each **period of insurance**.
- 4.3 **You** will undertake to declare to **us** within a reasonable time after the expiry of the **period of insurance**:
- a. the amount of the **gross profit** earned and **payroll** paid in accordance with the indemnity afforded in respect of this extension, in the course of **your business** during the accounting period of twelve (12) months most nearly concurrent with the **period of insurance** (or appropriately increased if the **indemnity period** exceeds twelve (12) months).
- 4.4 The provisional premium shall be adjusted by payment to **us** of an additional premium or a return premium paid to **you**, as the case may be, at the full agreed rate on the difference between the amounts declared under 4.2 and 4.3.
- 4.5 If any fixed costs and expenses of **your business** are not insured by this **policy** (having been deducted in arriving at the **gross profit** as defined herein) then in computing an amount recoverable hereunder as increase in cost of working that proportion only of the additional expenditure shall be brought into account which the **gross profit** bears to the sum of the **gross profit** and the uninsured fixed costs and expenses.
- 4.6 Any particulars or details contained in **your** books of account or other **business** books or documents which may be required by **us** for the purpose of investigating or verifying any claim hereunder may be produced and certified by **your** Auditors and their **schedule** shall be prima facie evidence of the particulars and details to which such **schedule** relates.
- 4.7 **We** will reinstate the **sum insured** following a claim provided **you** have paid the additional premium required by **us**.
- 4.8 In calculating the loss of **gross profit**, no allowance shall be made for the time spent on any overhauls, inspections or modifications carried out during any period of interruption.
- 4.9 If during a period of six months immediately following the recommissioning of the **insured items** or **electronic plant** after **insured damage**, **you** derive benefits from deferred sales or from increased production or profits as a consequence of an interruption, such benefits shall be taken into account in determining the indemnity payable under this extension.
- 4.10 In the event of **insured damage** to an **insured item** or **electronic plant** which gives rise to a claims under this extension **we** reserve the right to take over and control all necessary repairs or replacements.
- 4.11 In the event of **insured damage** occurring at the premises before the completion of the first year's trading of the **business**, the terms '**Rate of gross profit**' '**Annual turnover**' '**Standard turnover**' and '**Rate of payroll**' shall bear the following meanings and not those as stated in the definitions.
- a. **rate of gross profit** means: the proportion which the **gross profit** bears to the **turnover** during the period between the date of the commencement of the **business** and the date of the **insured damage**;
  - b. **annual turnover** means: the proportional equivalent, for a period of twelve (12) months of the **turnover** realised during the period between the commencement of the **business** and the date of the **insured damage**;
  - c. **standard turnover** means: the proportional equivalent, for a period equal to the **indemnity period** of the **turnover** realised during the period between the commencement of the **business** and the date of the **insured damage**;
  - d. **rate of payroll** means: the proportion which the **payroll** bears to the **turnover** during the period between the date of commencement of the **business** and the date of the **insured damage**. Adjustment shall be made to the **rate of gross profit**, **annual turnover**, **standard turnover** and **rate of payroll** as may be necessary to provide for the trend of the **business** and for variations in or other circumstances affecting the **business** either before or after the **insured damage** or which would have affected the **business** had the **insured damage** not occurred, so that the figures thus adjusted shall represent, as nearly as may be reasonably practicable the results which but for the **insured damage** would have been obtained during the relative period after the **insured damage** occurred.



## 5. Exclusions – Applying to this Extension

(In addition the exclusions contained in *Sections 1 and 2* apply to this extension)

This extension shall not cover any loss resulting from interruption or interference with **your business** directly or indirectly, arising from the following causes:

- 5.1 Any restrictions on reconstruction or operation imposed by any public authority.
- 5.2 **You** not having at **your** disposal in reasonable time sufficient capital for repairing or replacing destroyed or damaged **insured item** or **electronic plant**.
- 5.3 Loss of or damage to other items which are not listed in the list of **insured items** or **electronic plant**, even if as a consequence there is material damage to an Item indicated in the list of **insured items** or **electronic plant**.
- 5.4 Loss of **business** due to causes such as suspension, lapse or cancellation of a lease, licence or order, etc. Which occurs after the date when the **insured item** or **electronic plant** affected by **insured damage** is again in operating condition and **your business** could have been resumed, if the lease, license or order, etc. had not lapsed or had not been suspended or cancelled.

# Business Interruption Extensions for Sections 1 and/or 2 – Loss of Gross Rentals and Additional Increase in Cost of Working

Applies where indicated on the **schedule** as being operative.

## 1. Definitions – Applying to this Extension

**Annual gross rentals** means:

The **gross rentals** earned during the twelve (12) months immediately before the date of the **insured damage**.

**Gross rentals** means:

The money received by **you** from renting or leasing any unit or other space within a **situation** noted on the **schedule** that shall include other money paid by the lessee as part of the rental or leasing agreement.

**Indemnity period** means:

The period beginning with the occurrence of **insured damage** and ending no later than the number of months specified in the **schedule** during which the results of the **business** shall be affected in consequence of the **insured damage**.

**Standard gross rentals** means:

The **gross rentals** during that period in the twelve (12) months immediately before the date of the **insured damage** which corresponds with the **indemnity period**.

**Rate of gross rentals** means:

The percentage of **gross rentals** to **annual gross rentals** during the financial year immediately before the occurrence of the **insured damage**.

## 2. Scope of Cover

If during the **period of insurance** **insured damage** occurs to an **insured item(s)** or **electronic plant** that has successfully completed **initial commissioning**, is located at a **situation** specified in the **schedule** and directly leads to interference or an interruption of **your business** we will indemnify **you** for the covers listed below where they are indicated on the **schedule** as being operative, subject to the **indemnity period** and **sum insured** for that cover.

## 3. Basis of Settlement

We will indemnify **you** for a loss of **gross rentals** due to a reduction in **gross rentals** and increase in cost of working calculated as follows:

### 3.1 In respect of a reduction in **gross rentals**:

The amount by which the **gross rentals**, during the **indemnity period**, fall short of the **standard gross rentals** as a direct consequence of the **insured damage**,

### 3.2 In respect of increase in cost of working:

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **gross rentals** which, if not for that expenditure, would have taken place during the **indemnity period** as a direct result of the **insured damage**, but not exceeding the amount of **gross rentals** of the reduction thereby avoided.

Less any sum saved during the **indemnity period** in respect of the charges and expenses of **your business** payable out of the **gross rentals** as may cease or be reduced in consequence of the **insured damage**.

If the **sum insured** hereunder is less than the sum produced by applying the **rate of gross rentals** to the **annual gross rentals**, (or its proportionately increased multiple thereof, where the **indemnity period** exceeds twelve months) the amount payable shall be proportionately reduced.

### 3.3 In respect of Additional Increase in cost of working the amount payable shall be:

The further additional expenditure beyond that recoverable under **Clause 3.2** and as **you** shall necessarily and reasonably incur during the **indemnity period** in consequence of the **insured damage** for the purpose of avoiding or diminishing the reduction in **gross rentals** or resuming or maintaining **your business**.

## 4. Additional Exclusions

We will not be liable for any interruption or interference with the **business**:

- a. Resulting from any time spent on overhauls, inspections, or modifications carried out during the period of interruption or for any time which the **business** would not or could not have been carried on if the **insured damage** had not occurred;
- b. Resulting from **your** failure to use all reasonable means to resume the **business** as soon as possible;
- c. Or for any cost or expense as a result thereof, relating to fines or damages or breach of contract, for late or non-completion of orders, or for any penalties of whatever nature.

## 5. Special Conditions

- 5.1 Adjustments shall be made as may be necessary to provide for the trend of **your business** and for variations in or special circumstances affecting **your business** either before or after the **insured damage** or which would have affected **your business** had the **insured damage** not occurred, so that the figures thus adjusted represent as nearly as may be reasonably practicable the results which but for the **insured damage** would have been obtained during the relative period after the **insured damage**.

If during the **indemnity period** services are rendered or goods are sold elsewhere than at the **situation**, for the benefit of **your business** either by **you** or on **your** behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the **gross rentals** during the **indemnity period**.

These adjustments will be made to the **annual gross rentals** and **standard gross rentals**.

- 5.2 As soon as possible after the **Insured damage** it is expected that **you** will utilise all reasonable means to continue the **business** and make up lost **business** (within a reasonable timeframe and not necessarily limited to the period that the **business** is interrupted). This may include but is not limited to:
  - a. the use of alternative premises;
  - b. utilisation of spare parts, equipment and other supplies that **you** own or are obtainable from elsewhere; or
  - c. working overtime at the **situation** or other premises as necessary for the purpose of making up lost **business**, such that the amount that **we** would otherwise pay under this section is reduced.

We may take measures that reduce the interruption to the **business** or fulfill the functions of the **situation** in another way.

- 5.3 If the interruption or interference to the **business** is caused by a claim under **Section 1** or **Section 2** that would have been paid under that section but for the application of the **excess**, such interruption or interference will be considered as if it had resulted from **Insured damage** for the sake of this extension.

## 6. Excess

The amount of each claim otherwise payable under this extension shall be reduced by the amount of the **excess** shown in the **schedule** applicable to this extension.

This may be a **time excess** in which case the number of days specified in the **schedule** is the number of days that **we** will not be liable for loss under this extension. If more than one **business** interruption **excess** is shown on the **schedule** for this extension, and the claim relates to one event or occurrence, only one **time excess** shall be applied.

## 7. Sum Insured

The maximum that **we** will indemnify **you** for this extension will not exceed the **sum insured** noted on the **schedule** for this extension for any one event or occurrence minus the **excess**.

# Business Interruption Extension for Sections 1 and/or 2 - Loss of Gross Rentals and Additional Increase in Cost of Working – Strata Plan

Applies where indicated on the **schedule** as being operative.

## 1. Definitions – Applying to this Extension

**Annual gross rentals** means:

The **gross rentals** earned during the twelve (12) months immediately before the date of the **insured damage**.

**Gross rentals** means:

The money payable to **you** by tenants in respect of the rental of a unit or common area within a **situation** noted on the **schedule**.

**Indemnity period** means:

The period beginning with the occurrence of **insured damage** and ending no later than the number of months specified in the **schedule** during which the results of the **business** shall be affected in consequence of the **insured damage**.

**Standard gross rentals** means:

The **gross rentals** during that period in the twelve (12) months immediately before the date of the **insured damage** which corresponds with the **indemnity period**.

**Lot Owner** means:

Any person, persons or other entity registered from time to time, as a proprietor or owner of an estate at the **situation** in terms of the Strata Schemes Management Act, Strata Titles Act, Community Titles Act of similar legislation applying where the **insured item(s)** or **electronic plant** is located.

**Rate of gross rentals** means:

The percentage of **gross rentals** to **annual gross rentals** during the financial year immediately before the occurrence of the **insured damage**.

**You** is automatically extended to include a **Lot Owner**

## 2. Scope of Cover

If during the **period of insurance** **insured Damage** occurs to an **insured item(s)** or **electronic plant** that has successfully completed **initial commissioning**, is located at a **situation** specified in the **schedule** and directly leads to interference or an interruption of **your business** we will indemnify **you** for the covers listed below where they are indicated on the **schedule** as being operative, subject to the **indemnity period** and **sum insured** for that cover.

## 3. Basis of Settlement

We will indemnify **you** for a loss of **gross rentals** due to a reduction in **gross rentals**, increase in cost of working and temporary accommodation, calculated as follows:

**3.1** In respect of a reduction in **gross rentals**:

The amount by which the **gross rentals**, during the **indemnity period**, fall short of the **standard gross rentals** as a direct consequence of the **insured damage**,

**3.2** In respect of increase in cost of working:

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **gross rentals** which, if not for that expenditure, would have taken place during the **indemnity period** as a direct result of the **insured damage**, but not exceeding the amount of **gross rentals** of the reduction thereby avoided.

Less any sum saved during the **indemnity period** in respect of the charges and expenses of **your business** payable out of the **gross rentals** as may cease or be reduced in consequence of the **insured damage**.

If the **sum insured** hereunder is less than the sum produced by applying the **rate of gross rentals** to the **annual gross rentals**, (or its proportionately increased multiple thereof, where the **indemnity period** exceeds twelve months) the amount payable shall be proportionately reduced.

**3.3** In respect of temporary accommodation:

When **You** occupy an area at the **Situation**, **We** will pay the reasonable cost of temporary accommodation necessarily incurred by **You** if this area is unfit to be occupied for its intended purpose, or reasonable access to the area is prevented, solely as a result of the **insured damage**. Indemnity for this benefit is limited to a fair rental value for the area occupied.

The **Sum Insured** for parts **3.1**, **3.2** & **3.3** will be set at 15% of the declared **property damage** under **section 1** and/or **2**, and is based on a maximum **indemnity period** of 12 months.

- 3.4 In respect of Additional Increase in cost of working the amount payable shall be:

The further additional expenditure beyond that recoverable under *Clause 3.2* and as **you** shall necessarily and reasonably incur during the **indemnity period** in consequence of the **insured damage** for the purpose of avoiding or diminishing the reduction in **gross rentals** or resuming or maintaining **your business**.

## 4. Additional exclusions

- 4.1 **We** will not be liable or any interruption or interference with the **business**:
- I. For any time spent on overhauls, inspections, or modifications carried out during the period of interruption or for any time which the **business** would not or could not have been carried on if the **insured damage** had not occurred;
  - II. Resulting from **your** failure to use all reasonable means to resume the **business** as soon as possible;
  - III. Or for any cost or expense as a result thereof, relating to fines or damages or breach of contract, for late or non-completion of orders, or for any penalties of whatever nature.
- 4.2 This **policy** does not insure any **insured item(s)** or **electronic plant** which is not owned, leased, operated or controlled by the strata corporation named in the **schedule**, or any loss resulting from **insured damage** to such **insured item(s)** or **electronic plant**.

## 5. Special conditions

- 5.1 Adjustments shall be made as may be necessary to provide for the trend of **your business** and for variations in or special circumstances affecting **your business** either before or after the **insured damage** or which would have affected **your business** had the **insured damage** not occurred, so that the figures thus adjusted represent as nearly as may be reasonably practicable the results which but for the **insured damage** would have been obtained during the relative period after the **insured damage**.

If during the **indemnity period** services are rendered or goods are sold elsewhere than at the **situation**, for the benefit of **your business** either by **you** or on **your** behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the **gross rentals** during the **indemnity period**.

These adjustments will be made to the **annual gross rentals** and **standard gross rentals**.

- 5.2 As soon as possible after the **insured damage** it is expected that **you** will utilise all reasonable means to continue the **business** and make up lost **business** (within a reasonable timeframe and not necessarily limited to the period that the **business** is interrupted). This may include but is not limited to:

- a. the use of alternative premises;
- b. utilisation of spare parts, equipment and other supplies that **you** own or are obtainable from elsewhere; or
- c. working overtime at the **situation** or other premises as necessary for the purpose of making up lost **business**, such that the amount that **we** would otherwise pay under this section is reduced.

- 5.3 **We** may take measures that reduce the interruption to the **business** or fulfill the functions of the **situation** in another way. If the interruption or interference to the **business** is caused by a claim under *Section 1* or *Section 2* that would have been paid under that section but for the application of the **excess**, such interruption or interference will be considered as if it had resulted from **insured damage to insured item(s)** or **electronic plant** for this sake of this extension.

- 5.4 Notice shall be given to the strata corporation, being the person, company or legal entity shown on the **schedule** as the Insured, at the postal address stated in the **schedule**. Notwithstanding the inclusion of the **Lot Owner** as insured under this **policy**, such notice to the strata corporation shall be notice to such **Lot Owner**.

**We** shall not be obliged to give notice of cancellation or notice of any change in this **policy** to anyone but the strata corporation named in the **schedule**, irrespective if any other party is insured by this **policy** or not.

- 5.5 All terms, clauses and conditions of the **policy** to which this extension is attached relate to the person, company or legal entity shown on the **schedule** or equipment owned by such entity only. If any claim is declined or reduced due to such entity not adhering to any of these conditions, this shall result in the claim being declined or reduced to any other insured to the same extent.

## 6. Subrogation

Notwithstanding any other subrogation conditions within the **policy** to which this extension attaches, any release from liability entered into by **you** prior to the loss shall not affect **our** right to recover. It is further agreed that **we** waive **our** right of subrogation against:

- a. The strata corporation and the strata manager and their respective directors, officers, employees and agents; and
- b. Any **Lot Owner** of a unit including employees, residents of a **Lot Owner's** household, their spouse and any person under the age of 18 in the care of the **Lot Owner**; and
- c. Any additional insured named in this **policy**, including their employees whilst acting in their capacity.

## 7. Excess

The amount of each claim otherwise payable under this extension shall be reduced by the amount of the **excess** shown in the **schedule** applicable to this extension.

This may be a **time excess**, in which case the number of days specified in the **schedule** is the number of days that **we** will not be liable for loss under this extension. If more than one **business interruption excess** is shown on the **schedule** for this extension, and the claim relates to **one event** or **occurrence**, only one **time excess** shall be applied.

## 8. Sum Insured

The maximum that **we** will indemnify **you** for under this extension will not exceed the **sum insured** noted on the **schedule** for this extension for any one event or occurrence minus the **excess**.

# Business Interruption Extensions for Sections 1 and/or 2 – Loss of Gross Revenue and Additional Increase in Cost of Working

Applies where indicated on the **schedule** as being operative.

## 1. Definitions – Applying to this extension

**Annual gross revenue** means:

The **gross revenue** earned during the twelve (12) months immediately before the date of the **Insured damage**.

**Gross revenue** means:

The money paid to **you** for services rendered and/or goods sold as part of the **business** at a **situation** noted on the **schedule**.

**Indemnity period** means:

The period beginning with the occurrence of **insured damage** and ending no later than the number of months specified in the **schedule** during which the results of the **business** shall be affected in consequence of the **insured damage**.

**Standard gross revenue** means:

The **gross revenue** during that period in the twelve (12) months immediately before the date of the **Insured damage** which corresponds with the **indemnity period**.

**Turnover** means:

The money (less discounts allowed) paid or payable to **you** for goods sold and delivered and for services rendered in the course of **your Business** at the **situation**.

## 2. Scope of Cover

If during the **period of insurance insured damage** occurs to an **insured item(s)** or **electronic plant** that has successfully completed **initial commissioning**, is located at a **situation** specified in the **schedule** and directly leads to interference or an interruption of **your business** we will indemnify **you** for the covers listed below where they are indicated on the **schedule** as being operative, subject to the **indemnity period** and **sum insured** for that cover.

## 3. Basis of Settlement

We will indemnify **you** for a loss of **gross revenue** due to a reduction in **gross revenue** and increase in cost of working calculated as follows:

**3.1** In respect of a reduction in **gross revenue**:

The amount by which the **gross revenue**, during the **indemnity period**, falls short of the **standard gross revenue** as a direct result of the **insured damage**.

**3.2** In respect of increase in cost of working:

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **gross revenue** which, if not for that expenditure, would have taken place during the **indemnity period** as a direct result of the **insured damage**, but not exceeding the amount of the reduction in **gross revenue** thereby avoided.

Less any sum saved during the **indemnity period** in respect of the charges and expenses of **your business** payable out of the **gross revenue** as may cease or be reduced in consequence of the **insured damage**.

Provided that if the declared value of **gross revenue** at the commencement of each **period of insurance** is less than the **Annual gross revenue** (or its proportionately increased multiple thereof, where the **indemnity period** exceeds twelve months) the amount payable shall be proportionately reduced.

**3.3** In respect of Additional Increase in cost of working the amount payable shall be:

The further additional expenditure beyond that recoverable under Clause 3.2 and as **you** shall necessarily and reasonably incur during the **indemnity period** in consequence of the **insured damage** for the purpose of avoiding or diminishing the reduction in **gross revenue** or resuming or maintaining **your business**.



## 4. Additional exclusions

We will not be liable for any interruption or interference with the **business**:

- a. For any time spent on overhauls, inspections, or modifications carried out during the period of interruption or for any time which the **business** would not or could not have been carried on if the **insured damage** had not occurred;
- b. Resulting from **your** failure to use all reasonable means to resume the **business** as soon as possible;
- c. Or for any cost or expense as a result thereof, relating to fines or damages or breach of contract, for late or non-completion of orders, or for any penalties of whatever nature.

## 5. Special conditions

- 5.1 Adjustments shall be made as may be necessary to provide for the trend of **your business** and for variations in or special circumstances affecting **your business** either before or after the **insured damage** or which would have affected **your business** had the **insured damage** not occurred, so that the figures thus adjusted represent as nearly as may be reasonably practicable the results which but for the **insured damage** would have been obtained during the relative period after the **insured damage**.

If during the **indemnity period** services are rendered or goods are sold elsewhere than at the **situation**, for the benefit of **your business** either by **you** or on **your** behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the **gross revenue** during the **indemnity period**.

These adjustments will be made to the **annual gross revenue** and standard **gross revenue**.

- 5.2 As soon as possible after the **insured damage** it is expected that **you** will utilise every available means to continue the **business** and make up lost **business** (within a reasonable timeframe and not necessarily limited to the period that the **business** is interrupted). This may include but is not limited to:
  - a. the use of alternative premises;
  - b. utilisation of spare parts, equipment and other supplies that **you** own or are obtainable from elsewhere; or
  - c. working overtime at the **situation** or other premises as necessary for the purpose of making up lost **business**, such that the amount that **we** would otherwise pay under this section is reduced.

We may take measures that reduce the interruption to the **business** or fulfill the functions of the **situation** in another way.

- 5.3 If the interruption or interference to the **business** is caused by a claim under **Section 1** or **Section 2** that would have been paid under that section but for the application of the **excess**, such interruption or interference will be considered as if it had resulted from **insured damage** to an **insured item(s)** or **electronic plant** for this sake of this extension.

## 6. Excess

The amount of each claim otherwise payable under this extension shall be reduced by the amount of the **excess** shown in the **schedule** applicable to this extension.

This may be a **time excess** in which case the number of days specified in the **schedule** is the number of days that **we** will not be liable for loss under this extension. If more than one **business** interruption **excess** is shown on the **schedule** for this extension, and the claim relates to one event or occurrence, only one **time excess** shall be applied.

## 7. Sum Insured

The maximum that **we** will indemnify **you** for under this extension will not exceed the **sum insured** noted on the **schedule** for this extension for any one event or occurrence minus the **excess**.



# Conditions and Exclusions Applying to all Sections

## 1. Conditions

### 1.1 Assistance and co-operation.

**You** must provide reasonable assistance to **us**, including:

- + being truthful and frank at all times;
- + telling **us** as soon as possible if **you**'ve been contacted by someone about an incident, such as another insurer or a third party's lawyer;
- + attending one or more interviews about the claim if **we** ask **you** to;
- + appearing in court and giving evidence if needed;
- + responding to **our** requests as soon as possible.

At all times **you** must refrain from behaving in a way that's improper, hostile or threatening towards **us**, **our** representatives, repairers or third parties involved in an incident.

If **you** don't cooperate in any of these ways, it may delay **your** claim, or **we** may reduce or refuse to pay **your** claim.

### 1.2 Changes to risk

If there is any material change in the risk, or the nature of the risk as disclosed to **us** at the commencement or renewal of this **policy** or in the **schedule**:

- + **you** must notify **us**, by providing **us** full details of the change.
- + **you** must:
  - take such additional precautions to minimise the risks that are reasonable in all the circumstances; and
  - comply with **our** reasonable directions or requirements.
- + **we** may adjust the indemnity and/or the premium accordingly.

**We** will not pay for damage, injury, loss or **your** liability if **you** make or allow any material alteration that increases the risk, that **we** have not agreed.

### 1.3 Minimisation of loss.

**You** shall take all reasonable precautions to prevent loss or damage and **you** shall comply with all statutory requirements and manufacturers' recommendations relating to the safeguarding and operation of the **insured items** or **electronic plant** and in the event of **insured damage** occurring **you** shall do all things necessary and reasonably available to reduce the amount of any loss, damage or liability.

### 1.4 Newly installed items.

At the end of each **period of insurance** **you** shall furnish **us** with details of any items newly installed or which have been deleted during the **period of insurance**. Additional or return premiums

shall be calculated corresponding to the type and value of the items and the **period of insurance** from the time of completion of the successful **initial commissioning** of the items. Provided that **our** liability for all additional items will not exceed fifty percent of the total **sum insured** as stated in the **schedule**.

### 1.5 Inspection.

**You** shall permit **us** or **our** representative at all reasonable times the right to inspect and examine any items insured by this insurance.

### 1.6 Refusal to pay a claim.

If **you** fail to comply with any of the provisions of this insurance, subject to the Insurance Contracts Act **we** shall be entitled to refuse to pay a claim.

### 1.7 Observance of Terms and Conditions.

The due observance and fulfilment of the terms and conditions of these Policies and the truth of the statements and answers in the proposal and declaration shall be conditions precedent to any liability by **us** to make any payment under this insurance.

### 1.8 This insurance only applies after completion of successful initial commissioning.

### 1.9 Cancellations.

**You** may cancel any or all of this insurance at any time by notifying 360 Construction in writing and **we** will refund to **you** premium for the unexpired **period of insurance**. **We** may cancel any part of this insurance by notice in writing in any of the circumstances permitted by the *Insurance Contracts Act 1984 (Cth)*. Upon cancellation of any insurance by **us**, **we** will refund to **you** a proportion of the premium applicable to the unexpired **period of insurance**, less any non-refundable government fees, duties or charges.

### 1.10 Assignment.

**We** shall in no case be bound to accept notice of any transfer of any interest in this Insurance and nothing contained in this insurance shall give any rights to any person other than **you** or a transferee approved by **us** in writing.

### 1.11 Preventing **our** right of recovery

If **you**'ve agreed with or told someone who caused **you** loss, damage or liability covered by **your policy** that **you** won't hold them responsible then, to the extent **we**'ve been prejudiced by this act, **we** won't cover **you** for that loss, damage or liability.

### 1.12 Sending **you** documents

Documents relating to **your** insurance **policy** will be sent by post or email. Where **you** have been given the choice, they will be sent by **your** chosen delivery method and **you** can change **your** preference at any time.

It is **your** responsibility to make sure **your** contact details are current (including telephone number, email and mailing address where relevant) and **you** must update these as soon as they change.

#### 1.13 Contribution and other insurance.

When making a claim, **you** must notify **us** of any other insurance that **you**'re aware will or may, whether in whole or in part, cover any loss insured under **your policy**.

If at the time of any loss, damage or liability there's any other insurance (whether issued to **you** or any other person or persons on **your** behalf) which covers the same loss, damage or liability **you** must provide **us** with any reasonable assistance **we** require to make a claim for contribution from any other insurer(s).

#### 1.14 Subrogation.

In the event that **we** have a right to recover any monies payable under this insurance from any other person, **you** must reasonably co-operate with **us** in any proceedings which **we** may take. There may be circumstances where it is reasonably necessary to take action before or after **we** have paid **your** claim and whether or not **you** have been fully compensated for **your** actual loss.

#### 1.15 Claims and repair procedure.

In the event of any **insured damage** which might give rise to a claim under this insurance **you** must:

- a. notify **us** as soon as reasonably practicable after becoming aware of such events and confirm relevant details in writing;
- b. preserve the parts affected and make them available for inspection by **us** or **our** representative at a reasonable time; and
- c. furnish all such relevant information and documentary evidence as **we** may reasonably require.

1.16 Upon notification of any loss or damage being given to **us**, **you** may carry out repairs or make good any minor damage, but in all other cases **you** must give **us** or **our** representative an opportunity to inspect the loss or damage before any repairs or alterations are effected. If no inspection is carried out by **us** or on **our** behalf within a period of time which is reasonable having regard to the location of the risk, weather conditions and/or any other relevant factors, **you** may proceed with such repairs or replacement.

1.17 Nothing contained in this Section or in any other condition of this insurance will relieve **you** of any obligation to take such steps as are reasonably necessary to ensure that the operation of the **insured items** or **electronic plant** is at all times carried out so as to minimise the risk of any claim being made under this insurance.

1.18 Insurance cover will cease for any **insured item** or **electronic plant** which has sustained damage and

is operated unless it has been repaired properly and without delay.

1.19 **You** shall notify **us** in writing of any intended alterations of or departure from normal working conditions which **you** know (or a reasonable person in the circumstances could be expected to know) would materially increase the risk.

#### 1.20 References to legislation

Legislation referenced in this **policy** includes subsequent legislation. Any term used in this **policy** and defined by reference to legislation will have the meaning given in any replacement definition or definition with materially the same object or purpose in subsequent legislation. 'Subsequent legislation' means:

- + an act or regulation as amended, replaced or re-enacted;
- + where an act or regulation has been repealed, the current equivalent act or regulation (Commonwealth, State or Territory) with materially the same object or purpose whether in whole or in part.

#### 1.21 Jurisdiction

Any dispute (s) arising out of or in relation to this **policy** must only be subject to determination by a competent court of jurisdiction within Australia.

## 2. Exclusions

**We** will not pay for:

- 2.1 Loss or damage due to faults or defects known to **you** or any of **your** employees at the time of arrangement of this insurance and not disclosed to **us**.
- 2.2 Loss or damage directly or indirectly occasioned by or happening through or in consequence of war, invasion, act of foreign enemy, hostilities or war-like operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular rising, confiscation, nationalisation, requisition or destruction by or under the order of any government or public authority.
- 2.3 Loss, destruction or damage directly or indirectly caused by or contributed to by or arising from nuclear weapons, nuclear material or from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or any self sustaining process of nuclear fission.
- 2.4 Any liability or obligation assumed by **you** under agreement unless such liability or obligation would have attached to **you** without any such agreement.

2.5 Any act(s) of terrorism.

2.6 Any loss, damage, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a communicable disease or the fear or threat (whether actual or perceived) of a communicable disease regardless of any other cause or event contributing concurrently or in any other sequence.

This **policy** also excludes any loss, destruction, damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to 2.2, 2.3 or 2.5 above.

2.7 This **policy** does not cover **cyber incidents** or **electronic data**.

This **policy** excludes any loss, damage, liability, claim cost or expense that is directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any **cyber incidents**.

However in absence of a cyber incident and where cover is otherwise provided by this **policy** we will indemnify **you** for losses to **electronic data** arising out of fire, lightning, thunderbolt, explosion, implosion, earthquake, subterranean fire, volcanic eruption, impact, aircraft and/or other aerial device and/or articles dropped therefrom, sonic boom, theft which is a consequence of theft or any computer and/or computer hardware and/or firmware and/or microchip and/or integrated circuit and/or similar device containing such **electronic data**, breakage of glass, the acts of persons taking part in riots or civil commotions or of strikers or of locked out workers or of persons taking part in labour disturbances which do not assume the proportions of or amount to an uprising, storm and/or tempest and/or rainwater and/or wind and/or hail, water and/ or other liquids and/or substances discharged and/or overflowing and/or leaking from any apparatus and/ or appliance and/or pipes, power surge, low voltage, mechanical, electrical and electronic breakdown, vibration, flood and malicious or accidental damage.

2.8 Laws impacting cover

**We** will not be liable to provide any cover, pay any claim or provide any benefit under this **policy**, to the extent that it is unlawful for **us** to do so.

2.9 Sanctions limitation and exclusion clause.

**We** will not be liable to provide any cover, pay any claims or provide any benefit under this **policy** to the extent that to do so may expose **us** to any sanction, prohibition or restriction under United Nations resolutions or any applicable trade or economic sanctions, laws or regulations of any country.

For the purpose of exclusions 2.1 to 2.9:

**Act of terrorism** means:

Any act, or preparation in respect of action, or threat of action designed to influence the Government of the day 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 or 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) of the day or de facto, and which:

- + involves violence against one or more persons, or
  - + involves damage to property; or
  - + endangers life other than that of the person committing the action; or
  - + creates a risk to health or safety of the public or a section of the public; or
  - + is designed to interfere with or to disrupt an electronic system.
- Communicable disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
- + the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
  - + the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
  - + the disease, substance or agent can cause or threaten bodily injury, illness, damage to human health, human welfare or property.

**Electronic data** means:

Any facts, concepts and/or information converted to a form usable for communications and/ or displays and/or distribution and or processing by electronic and/or electromechanical data processing and/or electronically controlled equipment which includes but is not limited to programs and/or **software** and/or other instructions for such equipment.

**Cyber incident** means:

Any incident including:

- + unauthorised or malicious acts regardless of time and place, or the threat or hoax thereof; or
- + **malware or similar mechanism**; or
- + programming or operator error whether by **you** or any other person or persons; or
- + any unintentional or unplanned – wholly or partially - outage of **your computer system** not directly caused by physical loss or damage;

affecting access to, processing of, use of or operation of any **computer system** or any **electronic data** by any person or group(s) of persons.

**Malware or similar mechanism** means:

Any programme code, programming instruction or other set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programmes, data files or operations (whether involving self-replication or not), including but not limited to “Virus”, “Trojan Horses”, “Worms”, “Logic Bombs” or “Denial of Service Attack”.

**Computer system** means:

Any computer, hardware, information technology and communications system or electronic device, including any similar system or any configuration of the aforementioned and including any associated input, output or **electronic data** storage device, networking equipment or back up facility.





# 360

Construction

**NSW**

Suite 1, Level 18  
201 Kent St  
Sydney, NSW 2000

The Forum, Level 3  
240 Pacific Highway  
Charlestown, NSW 2290

**QLD**

Suite 1, Level 22  
345 Queen St  
Brisbane, QLD 4000