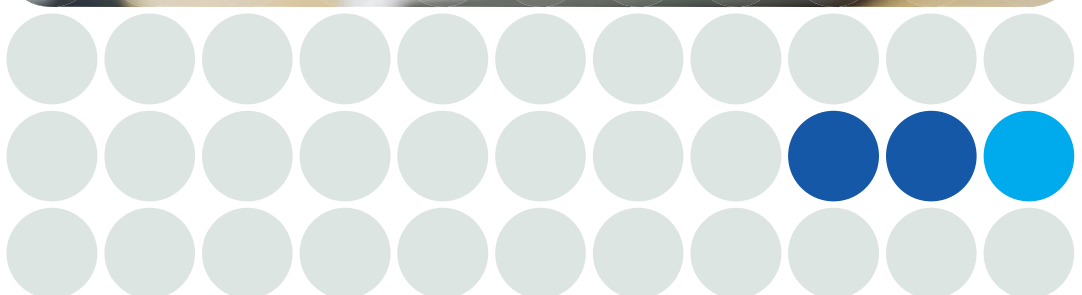
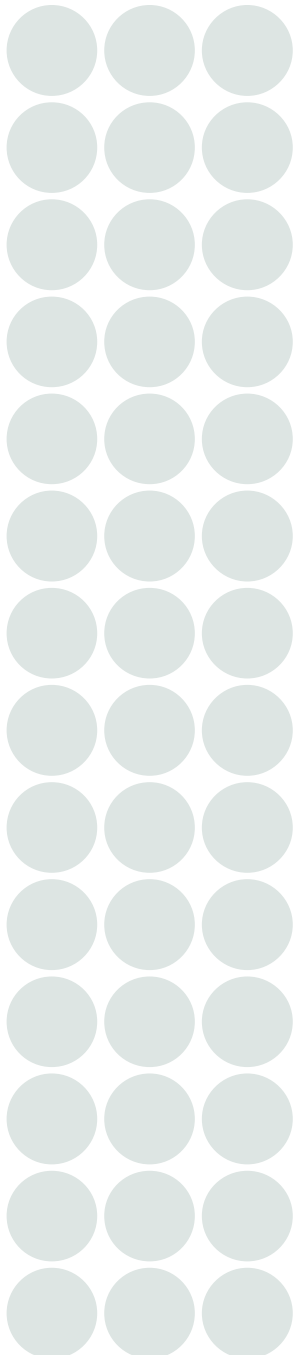


Zurich Business Insurance

Policy Wording



Contents

Introduction to Business

About Zurich	2
About Austbrokers	2
About this policy	2
How to apply for this insurance	2
Our contract with you	2
Duty of Disclosure	3
Cooling-off Period	3
How to make a claim	3
Goods and Services Tax	3
Privacy	3
General Insurance Code of Practice	4
Underinsurance	4
Dispute Resolution process	4
Headings	4
Definitions	5
Our Agreement	6
Limitations of Cover	7
General Exclusions	7
General Terms and Conditions	9

Individual cover sections

Fire – Gold	11
Fire – Silver	21
Business Interruption – Income	31
Business Interruption – Weekly Income	36
Liability	39
Burglary	47
Money	51
Glass	54
Business Special Risks	56
Engineering Plant	58
Electronic Equipment	63
Employee Fraud	68
Office Endorsement	70
Index	71

Zurich Business Insurance

About Zurich

The insurer of this product is Zurich Australian Insurance Limited (ZAIL), ABN 13 000 296 640, AFS Licence Number 232507, a subsidiary of Zurich Financial Services Australia Limited (Zurich Australia). In this document, ZAIL may also be expressed as 'Zurich', 'we', 'us' or 'our'.

Zurich Australia provides wealth protection and wealth creation solutions, offering general insurance for commercial customers, and life risk, investments and superannuation solutions for corporates and personal customers. Zurich's solutions and services are primarily accessible through insurance brokers, financial advisers and other intermediaries in Australia and New Zealand.

Zurich Australia is part of the worldwide Zurich Financial Services Group, an insurance-based financial services provider with a global network of subsidiaries and offices in North America and Europe as well as in Asia Pacific, Latin America and other markets. Founded in 1872, the Group is headquartered in Zurich, Switzerland. It employs approximately 60,000 people serving customers in more than 170 countries.

About Austbrokers

This insurance policy is distributed by insurance brokers who are licensed members of Austbrokers Holding Limited ABN 60 000 000 715.

The Austbrokers Network was established in 1985 to give individual general insurance brokers the opportunity to enjoy the benefits of a larger group, yet still maintain that all important feel of independence. With a total turnover of over \$1 billion dollars in general insurance premiums, the Austbrokers Network ranks within the top general insurance broking groups in Australia.

Austbrokers Holding Limited (Austbrokers) has entered into an arrangement with ZAIL to develop financial products and services that are distributed by Austbrokers members.

For further information about Austbrokers Network please visit www.austbrokers.com.au.

Important information about Austbroker's advice

Any advice Austbrokers gives about this policy does not take into account any of *your* particular objectives, financial situation or needs. For this reason, before *you* act on Austbroker's advice, *you* should consider the appropriateness of the advice taking into account *your* own objectives, financial situation and needs. Before *you* make any decisions about whether to acquire this policy we recommend *you* should read this insurance policy.

About this policy

Throughout this document, words are sometimes capitalised or italicised to show that words are abbreviations or have a particular defined meaning. *You* should refer to the Definitions section of this document on page 5, and the relevant *cover sections* to obtain the full meaning of such terms.

'*you*', '*your*' or '*yours*' means the person(s) or parties shown as the Insured in the *schedule*, including all subsidiary companies, organisations and entities incorporated in *Australia* in which *you* have a controlling interest (exceeding 50%) engaged in the *business* described in the *schedule* and not for any other purpose or activity.

How to apply for this insurance

Throughout this document when referring to *your* Austbrokers insurance broker or adviser, we may simply refer to them as *your* intermediary.

If *you* are interested in buying this product or have any inquiries about it, *you* should contact *your* intermediary who should be able to provide *you* with all the information and assistance *you* require.

If *you* are not satisfied with the information provided by *your* intermediary *you* can contact us at the address or telephone number shown on the back cover of this document. However, we are only able to provide factual information or general advice about the product. We do not give advice on whether the product is appropriate for *your* personal, objectives, needs or financial situation.

Our contract with you

Your policy is a contract of insurance between *you* and us and contains all the details of the cover that we provide.

Your policy is made up of:

- the policy wording which tells *you* what is covered, sets out the claims procedure, exclusions and other terms and conditions of cover;
- the *proposal*, which is the information *you* provide to us when applying for insurance cover;
- *your* most current policy *schedule* issued by us. The *schedule* is a separate document unique to *you*, which shows the insurance details relevant to *you*. It includes any changes, exclusions, terms and conditions made to suit *your* individual circumstances and may amend the policy; and
- any other written change otherwise advised by us in writing (such as an *endorsement*). These written changes vary or modify the above documents.

Please note, only those *cover sections* shown as covered in *your schedule* are insured.

This document is also the document for any offer of renewal we may make, unless we tell *you* otherwise. Please keep *your* policy in a safe place.

We reserve the right to change the terms of this product where permitted to do so by law.

Duty of Disclosure

Before *you* enter into this contract of insurance with us, the Insurance Contracts Act 1984 (Cth) requires *you* to tell us everything which *you* know, or could be reasonably expected to know, is relevant to our decision whether to accept the risk of the insurance and, if so, on what terms. The duty of disclosure is different depending on whether it is a new policy or not.

New Business

Where *you* are entering into this policy for the first time (that is, it is new business and is not being renewed, varied, extended or reinstated) *you* must tell us everything *you* know, or could be reasonably expected to know, in answer to the specific questions we ask.

When answering our questions *you* must be honest.

Who needs to tell us

It is important that *you* understand that *you* are answering our questions in this way for *yourself* and anyone else whom *you* want to be covered by the policy.

If you do not tell us

If *you* do not answer our questions in this way, we may reduce or refuse to pay a claim, or cancel the policy. If *you* answer our questions fraudulently, we may refuse to pay a claim and treat the policy as never being in force.

Renewals, variations, extensions and reinstatements

Once *your* policy is entered into and is no longer new business then *your* duty of disclosure to us changes. *You* are required before *you* renew, vary, extend or reinstate *your* policy, to tell us everything *you* know, or could be reasonably expected to know, which is relevant to our decision whether to renew, vary, extend or reinstate the contract of insurance and, if so, on what terms.

You do not have to tell us about any matter

- that diminishes the risk;
- that is of common knowledge;
- that we know or should know in the ordinary course of our business as an insurer; or
- which we indicate we do not want to know.

If you do not tell us

If *you* do not comply with *your* duty of disclosure we may reduce or refuse to pay a claim or cancel *your* policy. If *your* non-disclosure is fraudulent we may treat this policy as never being in force.

Cooling-off Period

After *you* apply for cover and *you* have received the policy document, *you* have 21 days to check that the policy meets *your* needs. Within this time *you* may cancel the policy and receive a full refund of any *premiums* paid, unless:

- *you* have made a claim or become entitled to make a claim under *your* policy; or
- *you* have exercised any right or power *you* have in respect of *your* policy or the policy has ended.
- *Your* request will need to be in writing and forwarded to us via *your* intermediary or to the address shown on the back cover of this document.

You can cancel *your* policy at any time after the cooling-off period. Please refer to 2. 'Cancellation' under General Terms and Conditions on page 9.

How to make a claim

If *you* need to make a claim against this policy, please refer to 3. 'Claims procedures' under General Terms and Conditions on page 9. If *you* have any queries, please contact *your* intermediary or us as soon as possible.

Goods and Services Tax

The *sum insured* that *you* choose should exclude Goods and Services Tax (GST). In the event of a claim, if *you* are not registered for GST, we will reimburse *you* the GST component in addition to the amount we pay *you*. If *you* are registered for GST, *you* will need to claim the GST component from the Australian Taxation Office.

You must advise us of *your* correct input tax credit percentage where *you* are registered as a *business* and have an Australian Business Number. Any GST liability arising from *your* incorrect advice is payable by *you*.

Privacy

The National Privacy Principles, under the Privacy Act 1998, regulate the way in which private sector organisations like Zurich can collect, use, store and disclose *your* personal information.

We collect personal information about *you* in order to assess *your* request for insurance and to administer the policy. *You* can elect not to provide us with *your* personal information however we may then not be able to process *your* application for insurance, we may not be able to process *your* claim or *you* may breach *your* Duty of Disclosure.

In some circumstances, we may collect and/or disclose *your* personal information (other than sensitive information such as health information) to a third party such as *your* intermediary, our service providers and our business partners. For a list of service providers and business partners that we may disclose *your* personal information to and for further information on our Privacy Policy, please refer to the Privacy link on our homepage – www.zurich.com.au.

By providing us with *your* personal information, *you* consent to us disclosing *your* personal information for these purposes.

In most cases, at *your* request, we will give *you* access to the personal information we hold about *you*. In some circumstances we may charge a fee for giving *you* access, which will vary but will be based on our costs.

If *you* would like to find out more, *you* can contact us by telephone on 132 687 or email at Privacy.Officer@zurich.com.au or in writing to:

The Privacy Officer
Zurich Australian Insurance Limited
PO Box 677
North Sydney NSW 2059

General Insurance Code of Practice

As a member of the Insurance Council of Australia Limited, we subscribe to the General Insurance Code of Practice.

The purpose of the Code is to raise the standards of practice and service in the general insurance industry.

The Code aims to:

- constantly improve claims handling in an efficient, honest and fair manner;
- build and maintain community faith and trust in the financial integrity of the insurance industry; and
- provide helpful community information and education about general insurance.

Underinsurance

Certain *cover sections*, Fire, Business Interruption and Electronic Equipment, contain Underinsurance or Average clauses that may limit the amount that we pay when *you* have a claim. This will only happen if *you* understate a *sum insured* or *declared value*.

Example:

You insure *property* for a *declared value* or *sum insured* for \$1,000,000.

Property damage amounting to \$400,000 occurs from an event covered by the policy.

The insurable value of such *property* at the commencement of the *period of insurance* calculated in accordance with the Basis of Settlement provisions of the policy was \$1,500,000.

Underinsurance applies because the *declared value* or *sum insured* of the *property* is less than 80% of the insurable value calculated in accordance with the Basis of Settlement applicable.

$$\text{Claim payment} = \frac{\$1,000,000 \times \$400,000}{\$1,500,000 \times 80\%} = \$333,333$$

In this example, we would pay \$333,333 for the cost of reinstating *your property*, subject to the application of any *excess(es)*.

Dispute Resolution process

If *you* have a complaint about an insurance product we have issued or service *you* have received from us, please contact *your* intermediary to initiate the complaint with us. If *you* are unable to contact *your* intermediary, *you* can contact us directly on 132 687.

We will respond to *your* complaint within 15 working days. If *you* are not satisfied with our response, *you* may have the matter reviewed through our internal dispute resolution process, which is free of charge.

If *you* are not satisfied with the outcome of the dispute resolution process and would like to take the complaint further, *you* may refer the matter to the Financial Ombudsman Service (FOS), an independent and external dispute resolution scheme. The FOS is free of charge to *you* but can only be accessed after *you* have gone through our internal disputes resolution process.

FOS contact details are:

The Financial Ombudsman Service
Freecall: 1300 78 08 08
Post: GPO Box 3, Melbourne, Victoria 3001
Website: www.fos.org.au
Email: info@fos.org.au

Headings

Headings have been included for ease of reference, but do not form part of the policy.

Definitions

The following definitions shall apply to the words used in *your* policy.

Act of terrorism

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

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

Australia

Australia means the Commonwealth of Australia and all of its States and Territories including all external Territories.

Building

building means a permanently fixed structure that consists of a roof and external walls that completely enclose an area beneath the roof when doors and windows that form part of the structure are closed. Provided that when the word *building* is used in the *schedule* to describe a *category* of property insured, it is agreed that the following property is included in that *category*:

- (a) carports, pergolas and canopies;
- (b) barns and outbuildings;
- (c) storage sheds and tanks;
- (d) walls, fences, gates and letterboxes;
- (e) all permanent fittings and fixtures to any *building*;
- (f) external fixed items:
 - (i) swimming pools, saunas and spas;
 - (ii) gangways between *buildings*;
 - (iii) lights and signs; and
 - (iv) air conditioning units and associated piping and wiring;

- (g) flag poles;
- (h) communications masts, aerials, antennae and dishes;
- (i) fixed floor coverings;
- (j) bitumen or concrete:
 - (i) driveways;
 - (ii) roadways; and
 - (iii) carparks;
- (k) foundations of any *building*;
- (l) structural improvements to any *building*;
- (m) underground and above ground services connected to any *building*;
- (n) piers, jetties, wharves and docks; and
- (o) bridges.

Business

business means *your* business, occupation, trade or profession.

Contents

contents means all contents at the *premises*, including property (other than *buildings* and *stock*) of others, and when the word *contents* is used in the *schedule* to describe a *category* of property insured, it is agreed that we accept the designations used in *your* books and records.

Cover section

cover section means the individual coverage that we give *you* that attaches to and forms part of *your* policy when this is shown in the *schedule*, for example Burglary Section or Glass Section.

Endorsement

endorsement means an individual endorsement document that we give *you* that attaches to and forms part of *your* policy. This document varies the terms and conditions of *your* policy.

Excess

excess means the first amount of each claim. The amount of the *excess* is shown in the *schedule*.

Flood

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

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

Money

money means, coins, bank notes or negotiable instruments such as but not limited to cheques, stamps, money orders, vouchers, tickets, phone cards, store value cards and other like items of value, being the property of the *business*.

North America

North America means:

- (a) the United States of America and the Dominion of Canada;
- (b) any State or Territory incorporated in, or administered by, the United States of America or Dominion of Canada; and
- (c) any Country or Territory subject to the laws of the United States of America or the Dominion of Canada.

Period of insurance

period of insurance means the Period of Insurance shown in the *schedule* or any subsequent period for which we have agreed to renew or extend the cover.

Pollutants

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

Premises

premises means the premises at the location shown in the *schedule*.

Premium

premium means the amount(s) shown in the *schedule* that *you* have to pay inclusive of all charges for the cover we provide.

Proposal

proposal means the *proposal* document *you* complete for this insurance.

Schedule

schedule means the Schedule document that we give *you* that attaches to and forms part of *your* policy.

Stock

stock means all stock at the *premises*, including work in progress and property of others held on consignment, and when the word *stock* is used in the *schedule* to describe a category of property insured, it is agreed that we accept the designations used in *your* books and records.

Sum insured

sum insured means the Sum Insured shown in the *schedule*.

Year

year means a period of 365 consecutive days or 366 consecutive days in a leap year.

You, your or yours

you, your or yours means the person(s) or parties shown as the Insured in the *schedule*, including all subsidiary companies, organisations and entities incorporated in *Australia* in which *you* have a controlling interest (exceeding 50%) engaged in the *business* described in the *schedule* and not for any other purpose or activity.

Our Agreement

Subject to all of the terms and conditions contained in *your* policy and payment of the *premium*, we will provide *you* with the cover shown in the *cover sections* of *your* policy up to the appropriate amount shown in the *schedule* or other limits shown in *your* policy.

1. Approved claim preparation costs

In addition to the amount of cover provided by each *cover section*, we will pay up to \$25,000 for reasonable professional fees and such other expenses incurred by *you* for the preparation of a claim under a *cover section*.

Provided that before *you* incur these claim preparation costs, *you* must obtain our written approval to incur these costs, to which we agree not to unreasonably withhold consent.

2. Emergency mitigation costs

In the case of an emergency where *you* are required to prevent further loss or damage to *your* property as a direct result of that emergency, and the property is covered by *your* policy, we give *you* the authority to arrange these emergency repairs on our behalf.

3. Repairs to damage by you

When we agree that the repair of the *damage* can be undertaken by *you* or *your* employees, we agree to pay *your* labour costs and overhead expenses subject to the Limitations of Cover. However we will not pay more than the amount required by a competent contractor to do the same work.

4. Payment of rewards

In addition to the amount of cover provided in each *cover section*, we will pay up to \$5,000 for the reimbursement of any public reward expense paid by *you* to recover property or to identify the offenders responsible following loss, destruction or *damage* to *your* property for which a claim has been paid under *cover sections*; Fire – Gold, Fire – Silver, Burglary, Money, Glass and Electronic Equipment – Part A of *your* policy.

Provided that:

- (a) the terms of the reward are agreed by us and approved by the relevant Authority before being offered; and
- (b) our payment does not exceed the value of the property lost destroyed or *damaged*.

We agree not to unreasonably withhold consent to the terms or the amount of any reward payable under this policy provision nor does our offer to pay such reward in any way limit the amount of any reward *you* may wish to offer for *your* own account.

Limitations of Cover

The cover provided by *your* policy is limited by the Limitations of Cover shown in the *cover sections* and the General Exclusions applicable to all *cover sections* that follow.

General Exclusions

The following General Exclusions apply to *your* policy:

1. War, Act of terrorism, Confiscation, Radioactivity

Your policy does not cover loss, damage, destruction, death, personal injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss resulting from:

- (a) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power;
- (b) any *act of terrorism*;
- (c) any order of any Government, Public or Local Authority involving the confiscation, nationalisation, requisition, damage or destruction of any property unless such destruction was undertaken to reduce the spread of fire;
- (d) radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste or action of nuclear fission or fusion. Provided that this shall not apply to liability arising from radio-isotopes, radium or radium compounds when used away from the place where such are made or produced and when used exclusively incidental to ordinary industrial, educational, medical or research pursuits.

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 the above.

2. Alteration of risk

If the risk of loss, *damage*, injury, illness or liability is significantly increased by any alteration in the circumstances that affect *you* or *your business* we will not cover any claims that are caused by or arise from such alteration unless *you*:

- (a) did not know of the alteration; or
- (b) have notified us of the alteration and we have agreed to accept the alteration to the risk.

3. Acquisition of companies

Your policy does not cover:

- (a) any company or other legal entity acquired during the *period of insurance*; or
- (b) any property or liability associated with such company or any other legal entity or business undertaking or operation, except as stated below.

Provided that we have been notified in writing within 30 days of any acquisition, and the *business* is a similar occupation to that stated in the *schedule*, we will agree to provide cover subject to *your* acceptance of our terms and undertaking to pay the additional *premium* we may require.

Our liability shall not exceed the Limit of Liability, Sum Insured Limit or any Sub-limit of liability applicable under the relevant *cover sections* making up *your* policy for each *category of property*.

4. Unoccupied buildings and Premises

Excepting for loss or *damage* to insured *property* by:

- (a) Lightning, Earthquake and Subterranean Fire; or
- (b) Impact by any road vehicle or their loads, animals, trees or branches, meteorite, aircraft or other aerial devices or articles dropped from them, sonic boom or space debris, falling communication masts, towers, antennae or dishes, falling buildings or structures or parts thereof which do not belong to *you*,

your policy does not provide any cover at a *building* or *premises* after the *building* or that *premises* has been unoccupied for more than 90 consecutive days.

Unoccupied means left vacant by *you* or any other authorised person whether furniture or other contents remain or not;

Provided that:

- (i) cover will apply at an unoccupied *building* or *premises* if we have specifically agreed to this in writing;
- (ii) cover will resume when that *building* or that *premises* is again occupied by authorised persons; and
- (iii) *you* agree to pay us any additional *premium* that we may require.

5. Electronic date recognition

Your policy does not cover claims arising directly or indirectly out of, or caused by, through or in connection with any *software* or *device* not being Electronic Date Compliant.

Electronic Date Compliant means that neither performance nor functionality is affected by dates prior to, and after the *year* 2000 and in particular:

- (a) no date value (including the current date) will cause any interruption in operation;
- (b) date based functionality must behave consistently for dates prior to, during and after the *year* 2000;
- (c) in all interfaces, output, display and data storage, the century in any date must be recognised as a leap *year*;
- (d) all leap *years* and non-leap *years* must be correctly recognised;
- (e) no particular date value is treated otherwise than as a date or used for special meanings;
- (f) all information involving dates is correctly stored, retrieved, processed, recognised, calculated, sequenced, compared, managed, manipulated and presented including formulas involving dates in one century or in multiple centuries;
- (g) the relevant *software* or *device* must correctly interface and inter-operate with any related *software* or *device* and date or date related information from them in accordance with the other requirements of this definition of Electronic Date Compliant.

For the purpose of this Exclusion 5, date includes a period of time. *Software* or *device* means any software, computer, hardware, equipment, media, microchip, integrated circuit, embedded system or similar device, whether it is *your property* or not.

6. Aggravated, Punitive or Exemplary damages, Fines or Penalties

Your policy does not cover any fines, penalties, exemplary, punitive, liquidated, aggravated, damages and/or additional damages resulting from the multiplication of compensatory damages.

7. Obsolete or Redundant plant and Equipment

Your policy does not cover obsolete or redundant plant and equipment (but not property categorised as *stock*) that is no longer used in the *business* provided that this exclusion shall not apply to items kept for spare parts.

General Terms and Conditions

The following general terms and conditions apply to *your* policy:

1. Precautions

You must take all reasonable care to prevent or minimise loss, damage, injury, illness or liability including *your* compliance with any law, by-law, ordinance or regulation that concerns the safety of persons or property.

2. Cancellation

(a) How you may cancel this policy

You may cancel this policy or any *cover section* at any time by notifying us in writing. *You* can do so by giving such notice through *your* intermediary.

Where *you* involves more than one person or party, we will only cancel the policy when written agreement to cancel is received from all of the such named persons or parties.

(b) How we may cancel this policy

We may cancel this policy or any *cover section* in any of the circumstances permitted by law by informing *you* in writing.

We will give *you* this notice in person or send it to *your* address last known to us.

(c) Premium

We will refund *you* the proportion of *premium* for the unexpired portion of the *period of insurance* less any tax or duty paid or owing for which we are unable to obtain a refund.

(d) Premium funders

If the *premium* has been funded by a premium funding company which holds a legal right over the policy by virtue of a notice of assignment and irrevocable power of attorney, a refund will be made to the premium funding company of the proportionate part of the *premium* applicable to the unexpired portion of the *period of insurance*.

3. Claims procedures

You must not negotiate, admit or deny any claim without our written permission.

When an event happens that is likely to result in a claim under *your* policy, *you* or any other person or party covered by *your* policy, must:

- (a) take all reasonable precautions to prevent further loss, damage, injury, illness or liability;
- (b) inform the police immediately if property is lost, stolen or maliciously damaged;
- (c) notify us immediately of the event;
- (d) provide us with full written details of the event within 30 days of learning that the event happened;
- (e) supply us with all information and assistance as we may reasonably require;
- (f) allow us to use any legal rights held by *you* or held by any other party covered by *your* policy;
- (g) allow us to negotiate, defend or settle the claim:
 - (i) in *your* name and on *your* behalf;
 - (ii) in the name of and on the behalf of any other party covered by *your* policy.
- (h) immediately send us any claim, writ, summons, or full details of other relevant legal or other proceedings such as an impending prosecution or inquest *you* receive or become aware of; and
 - (i) as far as possible preserve any products, appliances, plant or other items which might prove necessary or useful as evidence until we have had an opportunity of inspection.

4. Payments in respect to Goods and Services Tax

When we make a payment to *you* or on *your* behalf under this policy for the acquisition of goods, services or other supplies, we will reduce the amount of the payment by the amount of any input tax credit that *you* are, or will be, or would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999, in relation to that acquisition, whether or not that acquisition is actually made.

When we make a payment to *you* or on *your* behalf under this policy as compensation instead of payment for the acquisition of goods, services or other supplies, we will reduce the amount of the payment by the amount of any input tax credit that *you* are, or will be, or would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 had the payment been applied to acquire such goods, services or supplies.

5. Payment of excess

When *you* have a claim under a *cover section* of *your* policy *you* must pay the *excess* amount in accordance with the terms and conditions applicable to that *cover section*. Limits and sub-limits of liability and *sums insured* shall apply in addition to, and shall not be reduced by, the amount of any applicable *excess*.

Should a single event result in *you* claiming under more than one *cover section* of *your* policy, then only the single highest *excess* will apply to all claims that arise out of the one event.

Only one *excess* will apply to all *damage* resulting from earthquake, subterranean fire, volcanic eruption, bushfire, *flood*, storm, hail or rainwater that is continuous, is due to the same general conditions, and occurs within a 72 hour period from the first happening of *damage*.

6. Progress payments

If we have agreed that a claim is covered by *your* policy, we will make reasonable progress payments.

7. Interests of other parties

When this policy covers the interest of more than one party, any act or omission of an individual party will not prejudice the rights of the remaining parties, provided that the remaining parties immediately on becoming aware of any act or omission relevant to our acceptance of the risk or which increases the risk of loss, damage or liability, give notice in writing of the circumstances to us and agrees to pay such reasonable additional *premium* we may require.

8. Fraudulent claims

If *you* or any party covered by *your* policy makes a claim or arranges for some other party to make a claim that is in any way false, dishonest or fraudulent, then payment of the claim may be refused.

9. Other insurance and Contribution

When *you* make a claim on *your* policy *you* must also supply us with written details of all policies that may pay or partially pay that claim.

10. Notifications

All notices and communications must be made or confirmed in writing by *you* or *your* intermediary. Other forms of communication will not be acted upon by us until confirmed in writing by *you* or *your* intermediary.

11. Proper Law and Jurisdiction

- (a) The construction, interpretation and meaning of the provisions of this policy shall be determined in accordance with Australian law.
- (b) In the event of any dispute arising under this policy, including but not limited to its construction and/or validity and/or performance and/or interpretation, *you* will submit to the exclusive jurisdiction of any competent Court in *Australia*.

Business Special Risks

Introduction

This *cover section* only forms part of *your* policy when Business Special Risks Section is shown in the *schedule* and is limited to the *period of insurance* indicated.

Definitions

The following definitions shall apply to the words used in this *cover section*.

Damage or Damaged

damage or *damaged* means accidental physical damage, destruction or loss.

Item or Items

item or *items* means an Item or Items that are shown in the *schedule*.

Cover

We will pay up to the *sum insured* for the cost of repairing or replacing *items* that are *damaged* during the *period of insurance*.

Limitations of Cover

1. Geographical limits

Cover only applies to *damage* that occurs within *Australia*, unless cover is limited by *endorsement* to the situation shown in *your schedule*.

2. Excess

You are liable for the *excess* for each and every claim for an event that results in *damage*.

3. Obsolete items or improvements

If an *item* cannot be purchased as a new *item* or if an *item* cannot be repaired or replaced without improving the output, capacity or efficiency of that *item* then, we will only pay the cost of replacing or repairing that *item*, less an amount equal to the value of any such improvement(s).

4. Unspecified items

When cover is shown in the *schedule* for Unspecified Items, cover is limited to a maximum amount of \$2,000 for any one *item*.

Provided that we will not pay for Excluded Items.

5. Reduced sum insured

The *sum insured* for the *period of insurance* will be reduced by any payment made or due to be made under this *cover section*.

Exclusions

1. Excluded causes

We will not pay for *damage* caused by or arising from:

- (a) the actual breaking, seizing, deformation or melting of any part of any *item* while that *item* is in use that is caused by mechanical, electrical or electronic defect within the *item* that causes sudden malfunction that requires repair or replacement before the *item* can resume normal operation;
- (b) corruption or loss of data;
- (c) vermin or insects;
- (d) scratching, denting, chipping or other aesthetic defects that do not affect the operation or function of the *item*;
- (e) gradually operating causes such as, but not limited to, wear and tear, atmospheric conditions, mildew, corrosion, disease, fading, rusting or other forms of oxidation; or
- (f) faulty materials, faulty workmanship or latent defects.

Exclusions 1(a), (c), (e) and (f) shall apply only to the part of the *item* immediately affected and we will pay for any *damage* to any *item* that is not otherwise excluded that results from *damage* caused by or arising directly from any of these causes.

2. Excluded items

We will not pay for the following *items* unless they are specified in the *schedule*:

- (a) mobile plant, motorised vehicles, watercraft, video equipment;
- (b) *stock*;
- (c) mobile telephones and radios, sporting equipment, aerial devices;
- (d) computers, electronic diaries, organisers or their accessories;
- (e) firearms; and
- (f) *money*.

3. Consequential loss

We will not pay for consequential loss of any kind.

Optional Limitations

1. Restricted cover

If 'Restricted Cover' is shown in the *schedule* then cover is limited to loss or *damage* caused by:

- (a) fire, storm, water, explosion, lightning, *flood*;
- (b) earthquake, subterranean fire;
- (c) impact by vehicle or aircraft;
- (d) collision or overturning of a vehicle;
- (e) theft following visible, forcible and violent entry to locked vehicles or locked *premises*; and
- (f) malicious damage, but not theft.

2. Fire excluded

If the peril of 'Fire' is shown as being excluded in the *schedule* then *damage* due to fire is not covered by this *cover section*.

Zurich Australian Insurance Limited
ABN 13 000 296 640, AFS Licence No: 232507
Head Office: 5 Blue Street, North Sydney NSW 2060

Client Enquiries
Telephone: 132 687
www.zurich.com.au

