

Zurich Chauffeur Vehicle Composite Cover

Product Disclosure Statement



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About Chauffeur Vehicle Composite Cover

About Zurich

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

ZAIL is part of the Zurich Insurance Group, a leading multi-line insurance provider with a global network of subsidiaries and offices. With about 55,000 employees, the Zurich Insurance Group delivers a wide range of general insurance and life insurance products and services for individuals, small businesses, and mid-sized and large companies, including multinational corporations, in more than 170 countries.

This Product Disclosure Statement (PDS) is an important document about this product and includes the policy wording which starts on page 11. You should read it carefully before making a decision to purchase this product.

This PDS will help you to:

- decide whether this product will meet your needs; and
- compare this product with other products you may be considering.

The information contained in this PDS is general information only. It is important you read your policy to ensure you have the cover you need.

We sometimes capitalise or italicise terms in this PDS, to show that words are abbreviations or have a particular defined meaning. You should refer to the Definitions section of this document from page 11 to obtain the full meaning of such terms.

How to apply for this insurance

Throughout this document when referring to your 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 Chauffeur Vehicle Composite Cover

The Zurich Chauffeur Vehicle Composite Cover is designed for Hire Car business operators with one or more vehicles.

The policy cover can be customised to meet your *business* requirements. Some of the options can be summarised as follows:

Comprehensive Cover

This provides both:

- cover for certain loss or *damage* to your *vehicle* (Section 1); and
- liability cover for certain loss or *damage* you or certain other people cause to third party vehicles and property (Section 2).

Third Party Property Damage Only Cover

This provides:

- liability cover for certain loss or *damage* you or certain other people cause to third party vehicles and property (Section 2).

Fire, Theft and Third Party Property Damage Cover

This provides both:

- cover for certain loss or *damage* to your *vehicle* by fire or theft only (Optional Limitation of Cover – Section 1 refer to page 21); and
- liability cover for certain loss or *damage* you or certain other people cause to third party vehicles and property (Section 2).

General Liability

Section 3 relates to cover for:

- you, your drivers and certain other people, in connection with the business of hiring your *vehicle* for reward and relating to *personal injury, property damage and advertising liability*.

Our contract with you

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

Your policy is made up of:

- the policy wording which begins on page 11 of this document. It 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* or a supplementary PDS). These written changes vary or modify the above documents.

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

This document is also the PDS 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.

Significant issues to consider

Insurance contracts contain policy exclusions, policy terms and conditions and policy limits and sub-limits that you should be aware of when deciding to purchase our product. These things may affect the amount of the payment that we will make to you if you have a claim.

We may express some policy terms, policy limits or sub-limits as being either a dollar amount or a percentage of your sum insured shown in your *schedule* or some other amount, factor or item specified in the relevant clause of this document.

You should be aware of the following matters in considering whether this product is suitable for your needs.

Basis of Settlement – Section 1

When Section 1 – Own Damage is selected, you may choose the Basis of Settlement option you require if your vehicle is a sedan, station wagon, 4WD, utility or Other Goods Carrying Vehicles up to 5 tonnes *payload* carrying capacity or less. The standard options are *market value* and *nominated value*. For all other *vehicles*, the Basis of Settlement is the *sum insured value*. We refer you to the Definitions applying to Section 1 from page 11, which explains how we apply these categories of cover. The correct Basis of Settlement selection is vital, as an incorrect selection may possibly leave you underinsured.

Basis of Settlement – Section 2

When Section 2 – Third Party Liability is selected, we have automatically included the Limits of Liability within the policy. We recommend you refer to page 27 and you review these limits to ascertain if they are adequate for your *business* requirements.

Dangerous Goods

When Section 2 – Third Party Liability is selected, we provide cover in the event that your *vehicle* is being used for, attached to, or towing a vehicle used for the transport of dangerous goods. We recommend you refer to page 27 and review the limit of dangerous goods cover provided, to ascertain if it is adequate for your *business* requirements.

Basis of Settlement – Section 3

When Section 3 – General Liability is selected, we have automatically included the Limits of Liability within the policy. We recommend you refer to page 32 and you review these limits to ascertain if they are adequate for your *business* requirements.

Extensions of Cover

When you have a loss or *damage*, additional expenses may be incurred. For example, Removal of debris / load, Retrieval costs. We automatically provide for these extensions under Extensions of Cover within the policy.

Where these Extensions have limits, these limits (whilst additional to the sum insured), are sub-limited to either per event, per *vehicle* or per *period of insurance*. We suggest you review these limits to see if they are adequate for your *business* requirements.

Please refer to Extensions of Cover – Extensions of Cover – Section 1 from page 22, Extensions of Cover – Section 2 from page 27, Extensions of Cover – Sections 1 and 2 on page 30, and Extensions of Cover – Section 3 from page 32 for full particulars. Some of these major benefits are listed in 'Benefits of cover available' from page 9.

Optional Extensions of Cover

The policy has Optional Extensions of Cover which you may wish to consider:

- Deletion of windscreen excess (refer to page 24);
- Downtime (refer to page 24);
- Driver accident benefit (refer to page 25);
- No claim bonus (NCB) protection (refer to page 26);
- Hire vehicle following an accident (refer to page 26).

Excesses can apply

For each of the available covers, a basic excess may apply. A basic excess is not an additional fee charged by us at the time of making a claim. Rather, it is the uninsured first portion of loss for which you are otherwise covered, i.e. the amount that you must contribute towards each claim.

Details of the basic excess amounts and circumstances in which they will be applied are set out in the Definition of Excess from page 12. The basic excess will appear on your policy *schedule*.

Upon acceptance of your claim, you must immediately pay the total amount of the applicable excess, either to us or to the repairer. We will advise you to whom the excesses must be paid, however if your *vehicle* is a total loss, we may deduct any excess that you must pay from any payment we make.

Exclusions

This policy contains a number of exclusions, some of which are common in insurance policies. For example, we may not pay for loss or *damage* arising out of:

- unlawful acts (including unlicensed drivers);
- unroadworthy or unsafe vehicles; or
- vehicle deterioration (rust, corrosion, and general wear and tear).

Some of the exclusions may be less common, and as such may be unexpected. For example, Section 3 – General Liability in this policy excludes cover for 'Information technology hazards', such as damage to your computer programs as a result of a *computer virus*. Please refer to page 35 for the details of this exclusion.

The above are some of the events that are not covered by this policy. Before making a decision about whether to purchase this policy, you should read the full details of all relevant exclusions, which are contained in the policy wording.

Some may not be relevant to your *business*, however, you should make yourself aware of all the exclusions. Please refer to Exclusions applicable to all Sections from page 15, Exclusions of Cover – Section 1 from page 26, Exclusions of Cover – Section 2 from page 28 and Exclusions of Cover – Section 3 from page 33.

Terms and Conditions

Terms and Conditions applicable to your policy set out your obligations with which you need to comply. Please refer from page 18.

You should make yourself aware of all the terms and conditions that apply. If you do not meet them we may be able to decline or reduce the claim payment or cancel your policy.

Make sure you have the cover you need

You should discuss with your intermediary the appropriate amounts and risks for which you need to be insured. If you do not adequately insure for the relevant risks you may have to bear any uninsured losses yourself.

If you do not choose appropriate amounts that allow for the current value of your *vehicle* or other financial risks that your policy aims to cover, then you may be underinsured when you need to make a claim.

Change of circumstances

You should also advise your intermediary to notify us as soon as possible when your circumstances change if they are relevant to your policy. For instance, if you purchase a new vehicle, or add new accessories to your *vehicle*. If you do not tell your intermediary of these changes, in the event of you suffering a loss or *damage*, your sum insured may not be adequate to cover your loss, or you may not even have any cover under your policy.

Duty of Disclosure

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

If we ask you questions that are relevant to our decision to insure you and on what terms, you must tell us anything that you know and that a reasonable person in the circumstances would include in answering the questions.

You have this duty until we agree to insure you.

If you do not tell us something

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

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

How we calculate your premium

The amount of your *premium* is determined by taking a number of different matters into account.

It is important for you to know in particular that the *premium* varies depending on the information we receive from you about the risk to be covered by us. The higher the risk is, the higher the *premium* will be. Based on our experience and expertise as an insurer, we decide what factors increase our risk and how they should impact on the *premium*. Each insurer can do this differently.

We calculate your *premium* on the basis of information that we receive from you when you apply for insurance. Some other factors impacting premiums are:

- the location of your *business*;
- type of *vehicles* (make, age, model);
- the value of the *vehicles*;
- Limits of Liability taken (Sections 2 and 3)

- type of cover requested;
- location and operating radius of the *vehicles*;
- any Optional Extensions of Cover selected;
- age of the regular driver of the *vehicles*;
- number of years insured with Zurich;
- your NCB and your previous claims history; and
- any additional excess you nominate to pay above our basic excess. This means that when you purchase a policy, you may elect to take a higher excess in the event of a claim, which will reduce the cost of your *premium*. If you are interested in this, you should ask your intermediary to supply you with quotes based on differing amounts of excesses.

Your intermediary can arrange for you to be provided with a quote for a *premium*. You will need to give your relevant personal details to your intermediary at this time to enable us to calculate your *premium*.

Another important thing to know is that your *premium* also includes amounts that take into account our obligation to pay any relevant compulsory government charges, taxes or levies (e.g. Stamp Duty, GST and Fire Services Levy) in relation to your policy. These amounts will be set out separately on your *schedule* as part of the total *premium* payable.

How and when you pay your premium and what happens if you don't pay?

Premiums are charged and are payable on a yearly basis. Your intermediary can also tell you what other methods are available to make your *premium* payments.

Your intermediary will send you an offer of renewal of your insurance once a year, before your current *period of insurance* expires. If you do not pay your *premium* when due, your policy may lapse after 30 days and you will not be covered. You may be able to reinstate your policy after it lapses, but you must submit an application to us, which is subject to our reassessment of your personal circumstances at the time of application.

No claim bonus

Your motor no claim bonus (NCB) is based on your previous claims history and is impacted each time you lodge a claim against your policy.

In the event that you are not at fault in a claim and we have obtained a full recovery from the other party who was at fault, we will then reinstate your NCB to the same level prior to you lodging that claim. If we have already altered your renewal *premium* prior to the receipt of the recovery, we will adjust your renewal *premium* accordingly, and refund any amount to you.

Cooling-off Period

After you apply for a Zurich product 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
- 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.

Please note that in New South Wales before we are able to refund your *premium*, we will need to comply with Clause 22 of the Passenger Transport Regulation 2007.

You can cancel your policy at any time after the cooling-off period. Please refer to 'Cancellation' under Terms and Conditions applicable to all Sections from page 18.

How to make a claim

If you need to make a claim against this policy, please refer to 'Claims procedures' under Terms and Conditions applicable to all Sections on page 19. If you have any queries please contact your intermediary as soon as possible, or call us on 132 687.

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

Zurich is bound by the Privacy Act 1988. We collect, disclose and handle information, and in some cases personal or sensitive (eg health) information, about you ('your details') to assess applications, administer policies, contact you, enhance our products and services and manage claims ('Purposes'). If you do not provide your information, we may not be able to do those things. By providing us, our representatives or your intermediary with information, you consent to us using, disclosing to third parties and collecting from third parties your details for the Purposes.

We may disclose your details, including your sensitive information, to relevant third parties including your intermediary, affiliates of Zurich Insurance Group Ltd, insurers, reinsurers, our service providers, our business partners, health practitioners, your employer, parties affected by claims, government bodies, regulators, law enforcement bodies and as required by law, within Australia and overseas.

We may obtain your details from relevant third parties, including those listed above. Before giving us information about another person, please give them a copy of this document. Laws authorising or requiring us to collect information include the Insurance Contracts Act 1984, Anti-Money Laundering and Counter-Terrorism Financing Act 2006, Corporations Act 2001, Autonomous Sanctions Act 2011, A New Tax System (Goods and Services Tax) Act 1999 and other financial services, crime prevention, trade sanctions and tax laws.

Zurich's Privacy Policy, available at www.zurich.com.au or by telephoning us on 132 687, provides further information and lists service providers, business partners and countries in which recipients of your details are likely to be located. It also sets out how we handle complaints and how you can access or correct your details or make a complaint.

Complaints and Disputes 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 Australia), an independent and external dispute resolution scheme.

The FOS Australia is free of charge to you.

FOS Australia contact details are:

The Financial Ombudsman Service
Freecall: 1800 367 287 or 1800 FOS AUS
Post: GPO Box 3, Melbourne, Victoria 3001
Website: www.fos.org.au
Email: info@fos.org.au

General Insurance Code of Practice

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

You can obtain more information on the Code and how it assists you by contacting us.

Financial Claims Scheme

Zurich is an insurance company authorised under the Insurance Act 1973 to carry on general insurance business in Australia. As such, we are subject to prudential requirements and standards, regulated by the Australian Prudential Regulation Authority (APRA).

This policy may be a protected policy under the Federal Government's Financial Claims Scheme, (FCS) which is administered by APRA.

The FCS may apply in the event that a general insurance company becomes insolvent. If the FCS applies, a person who is entitled to make a claim under this insurance policy may be entitled to a payment under the FCS. Access to the FCS is subject to eligibility criteria.

Further information about the FCS can be obtained from the APRA website at <http://www.apra.gov.au> and the APRA hotline on 1300 13 10 60.

Repair Industry Code of Conduct

Zurich complies with the Repair Industry Code of Conduct.

You can choose a repairer, or we can recommend one for you. If we do not accept your choice of repairer, you must still cooperate with us to select another repairer that we both agree on.

When your *vehicle* is repaired, the repairer may use re-usable parts or parts that are not manufactured by a supplier to the *vehicle's* original manufacturer which:

- are consistent with the age and condition of the *vehicle*;
- do not affect the safety or the structural integrity of the *vehicle*;
- comply with the vehicle manufacturer's specifications and applicable Australian Design Rules;
- do not adversely affect the post-repair appearance of the *vehicle*; and
- do not void or affect the warranty provided by the vehicle manufacturer.

In repairing your *vehicle*, we may arrange for a part of the repair to be carried out by a specialist service provider, for example windscreen repairs. We guarantee workmanship of the repairs authorised by us.

This guarantee is for the life of the *vehicle* and is in addition to your statutory rights against the repairer and warranties that you have from the repairer directly. Wear and tear is not covered by this guarantee.

We will arrange for repairs authorised by us to be rectified at no cost to you, if we agree that the repairs are defective. Before we can arrange for any defective repairs to be rectified, you must give us the opportunity to inspect the *vehicle*.

Headings

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

Updating this PDS

Certain information in this PDS may change from time to time. If the updated information is not materially adverse from the point of view of a reasonable person deciding whether or not to purchase this product, a paper copy of the updated information will be available free of charge upon request, by contacting your intermediary or us by using our contact details on the back cover of this PDS. Please note that we may also choose to issue a new PDS or a supplementary PDS in other circumstances.

Benefits of cover available

The following table shows highlights of some of the major benefits available under the policy. Exclusions, limits and conditions apply so please refer to each Section for full details of coverage.

Summary of covers available	Benefits of cover available	Page no
Comprehensive	Own Damage – Section 1	21
	Third Party Liability – Section 2	27
Third Party Property Damage only	Third Party Liability – Section 2	27
Fire, Theft and Third Party Property Damage	Optional Limitation of Cover – Section 1	21
	Third Party Liability – Section 2	27
General Liability	Section 3 – General Liability	32
Extensions of Cover – Motor Vehicle Section 1		
Customers personal property	Up to \$1,500 per event	22
Drivers personal property	Up to \$500 per event / \$2,000 any one <i>period of insurance</i>	22
Emergency mitigation costs	Replacement of windscreen Towing your <i>vehicle</i> to the nearest repairer	22
Expediting expenses	Reasonable additional costs up to 50% of the repair costs or \$5,000, whichever is the lesser	22
Funeral expenses	Up to a maximum \$10,000 for funeral expenses following fatal injury to your driver	22
Hire vehicle following theft	Up to a maximum \$5,000 per event	22
Journey disruption	Following loss or <i>damage</i> to your <i>vehicle</i> , if more than 100 km from normal place of garaging, the reasonable costs of transporting the driver and their passengers, obtaining overnight accommodation or hiring another vehicle, up to a maximum \$3,000 per event	22
Locks / keys	Up to a maximum \$5,000 per event with no excess if no other loss or <i>damage</i> has occurred	23
New vehicle replacement (if <i>vehicle</i> is stolen or declared by us as a total loss)	A new replacement <i>vehicle</i> including registration fees, delivery charges and stamp duty for sedans, station wagons, 4WDs, utilities or Other Goods Carrying Vehicles up to 5 tonnes <i>payload</i> carrying capacity being less than two years of <i>vehicle's</i> first registration	23
Removal and delivery expenses	Reasonable costs of removing and delivering your <i>vehicle</i> , if your <i>vehicle</i> suffers loss or <i>damage</i> , up to a maximum \$25,000 per event	23
Removal of debris / load	Up to a maximum \$25,000 per event	23
Signwriting	Up to the sum insured per event	24
Total loss of encumbered vehicles	Up to an additional 20% limit of <i>market value</i> or <i>sum insured value</i> whichever is the lesser	24
Optional Extensions of Cover Section 1		
Deletion of windscreen excess	Section 1 – available if shown in the <i>schedule</i>	24
Downtime	If your <i>vehicle</i> is rendered totally inoperable as a result of an <i>accident</i> , then we will pay, up to the sum insured specified in the <i>schedule</i> for reimbursement of any lease, hire purchase payments or other financial commitments including for the hiring or rental of a similar model vehicle	24
Driver accident benefit	Benefits for injury suffered in an <i>accident</i> where driver at fault	25
No claim bonus (NCB) protection	Section 1 – available if shown in the <i>schedule</i>	26

Summary of covers available	Benefits of cover available	Page no
Hire vehicle following an accident	Up to \$150 per day, up to maximum of \$3,000 per event	26
Extensions of Cover – Third Part Liability Section 2		
Employer or principal	Covering employer's or principal's liability for an <i>accident</i> involving your <i>vehicle</i>	27
Legal costs and authorised expenses	Legal costs and expenses incurred with our written consent, in addition to the Limit of Liability	28
Non-owned or supplied vehicles	Coverage for non-owned or supplied vehicles being used in connection with your <i>business</i>	28
Uninsured motorist	Up to a maximum of \$5,000 per <i>accident</i>	28
Extensions of Cover – Motor Vehicle Sections 1 and 2		
Crisis coverage	Coverage provides reasonable costs to pay <i>public relations expenses</i> , with our written consent, as a result of an accident involving your <i>vehicle</i> , up to a maximum of \$10,000	30
Disability modifications	Up to a maximum \$5,000 per event	30
No fault excess	If the total excesses applicable to your claim are \$5,000 or less and you were not at fault in an <i>accident</i> , you may not need to pay any <i>excess</i>	30
Police, Fire Brigade and other Authorities	Covering costs levied in respect of Police Force, Fire Brigade or other Authorities as a result of loss or <i>damage</i> to your <i>vehicle</i> , to a maximum \$20,000 per event	30
Psychological counselling	Coverage provides reasonable costs incurred in your driver obtaining professional counselling as a result of an <i>accident</i> involving your <i>vehicle</i> , up to a maximum of \$10,000	30
Registration of vehicles	Coverage is maintained in the event of vehicle registration being cancelled or suspended due to traffic or parking fines	30
Vehicle additions	Automatically covering a new vehicle within 30 days maximum \$300,000 per vehicle	31
Extensions of Cover – Sections 3		
Office cover	Cover for home office, tenancy of office premises and any private work in connection with your <i>business</i> of hiring your <i>vehicle</i> for reward	32
Legal costs and authorised expenses	With our prior written consent, legal charges, expenses and costs in relation to an <i>occurrence</i> covered by the policy, in addition to the Limit of Liability	32
Partners or principals	Covered in the same manner and to the same extent which we provide to you	33
Property in physical or legal control	Covering your liability for <i>damage</i> to property that is not owned by you but which is in your physical or legal control, limited to \$500,000 in the aggregate, per <i>period of insurance</i>	36

Zurich Chauffeur Vehicle Composite Cover Policy Wording

Our Agreement

Subject to the terms and conditions contained in this policy, and after you have paid or agreed to pay us your *premium*, we will insure you against loss or *damage* or any liability incurred as described, occurring within *Australia* during the *period of insurance*.

Definitions

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

Accident

accident means a sudden and fortuitous event, which arises out of the use of your *vehicle* and includes a series of *accidents* arising out of the one event.

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.

Advertising liability

advertising liability means:

- (a) libel, slander;
- (b) infringement of copyright or passing off of title or slogan;
- (c) unfair competition, piracy or idea misappropriation contrary to an implied contract; and
- (d) invasion of privacy;

committed or alleged to have been committed during the *period of insurance* in any advertisement, publicity article, broadcast or telecast arising out of any advertising activities conducted by or on behalf of you, while advertising *your products, goods or services*.

Aircraft

aircraft means any object that is intended to fly or move through the air, atmosphere or space.

Australia

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

Australian Dangerous Goods Code

Australian Dangerous Goods Code means the most recent edition of the Australian Code for the Transportation of Dangerous Goods by Road and Rail that has been published by the Federal Government of Australia. This is also known as the ADG Code.

Business

business means your business, occupation, trade or profession.

Compensation

compensation means compensatory damages including costs recoverable by claimants but excluding fines, penalties, criminal sanctions of any description, punitive, aggravated, exemplary or liquidated damages.

Computer virus

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

Damage and damaged

damage and *damaged* means accidental physical damage, destruction or loss caused by:

- (a) fire, flood, hail, malicious acts, *accident*; or
- (b) someone stealing or attempting to steal your *vehicle*.

Driver's personal property

driver's personal property means your driver's uninsured personal property (other than in any caravan/ trailer), including business apparel normally worn with the occupation, but excludes money, fire arms, cash, negotiable instruments, tablets, Ipads, laptop computers, portable music devices, mobile phones, personal digital assistant (PDA's including smart phones), personal navigation equipment and tools or items used in the business, jewellery and furs belonging to your driver.

Employee

employee means any person that you have the right to direct during your *business* activities who is:

- (a) employed by you;
- (b) apprenticed to you;
- (c) deemed to be your employee by any applicable law;
- (d) hired or seconded from another party by you; or
- (e) an executive director or officer of your *business*.

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:

- **Basic excess**

This is the first amount of each claim for which you must pay when you make a claim under this policy, unless we state that an *excess* does not apply. We will pay for amounts above any *excess* amounts to be met by you. The amount of the *basic excess* is shown in the *schedule*. The *basic excess* will apply separately to each *vehicle* and each claim on that *vehicle*.

Where a trailer is attached to a *vehicle*, and that *vehicle* and trailer (both of which are covered under this policy) are *damaged* in the same *accident*, you will pay the applicable *basic excess* in respect of each *vehicle* insured as follows:

- (a) for claims under Section 1 – Own damage:
 - (i) where one of your *vehicles* has been lost or *damaged*, you will pay the *basic excess* as shown in the *schedule* for that *vehicle*; or
 - (ii) where more than one *vehicle* (for this section, a trailer is a separate *vehicle*) has been lost or *damaged*, you will pay the applicable *basic excess* in respect of each *vehicle* insured;

- (b) for claims under Section 2:
 - (i) where your liability arises as a result of your control of the towing *vehicle*, the basic excess applicable to the towing *vehicle* will apply; or
 - (ii) where your liability arises as a result of your control of a trailer not attached to a towing *vehicle*, the trailer excess shown in the *schedule* will apply.
- (c) for claims under Section 3 – General Liability the excess shown in the *schedule* will apply.

- **Age and inexperienced driver's excess**

If at the time of loss or *damage*, your *vehicle* (providing your *vehicle* was not a rigid and/or articulated vehicle with a carrying capacity in excess of 10 tonnes *payload*) was being driven by a person as set out below, the following additional excess per event shall apply:

- (a) driver under 21 years of age: \$850;
- (b) driver aged 21 years of age and under 25 years of age: \$750;
- (c) driver aged 25 years and over, having held a licence less than two years: \$750.

However this excess will not apply in the event of hail.

Incidental contract

incidental contracts means:

- (a) any written rental agreement for lease of real or personal property that does not impose on you:
 - (i) an obligation to insure such property; or
 - (ii) liability to indemnify the lessor for *personal injury* or *property damage* for which the lessor is legally liable;
- (b) any written contract with any public authority or company for the supply of water, gas or electricity, or use of a railway siding, but only to the extent of indemnifying any such authority in respect of liability arising out of the *business* of hiring your *vehicle* other than contracts for the performance of work or provision of services by you.

Insured

insured means you, your, the party, or parties named as the Insured in the *schedule*.

Internet operations

internet operations means:

- (a) transfer of computer data or programmes by use of electronic mail systems by you or your *employees*, including for the purpose of this definition only, part-time and temporary staff, contractors and others within your organisation whether or not such data or programmes contain any malicious or damaging code, including but not limited to any *computer virus*, worm, logic bomb, or trojan horse;
- (b) access through your network to the world wide web or a public internet site by you or your *employees*, including for the purposes of this definition only, part-time and temporary staff, contractors and others within your organisation;
- (c) access to your intranet (meaning internal company information and computing resources) which is made available through the world wide web for your customers or others outside your organisation; and
- (d) the operation and maintenance of your web site.

Market value

market value means the value of your *vehicle* just before the *damage* occurs, based on the age and condition of your *vehicle* exclusive of GST at that time.

When we calculate the *market value*, we include an amount for reasonable costs of replacing or repairing:

- (a) standard accessories, tools or spare parts that the manufacturer supplied as standard equipment with your *vehicle*; and
- (b) non-standard Vehicle Accessories that are specified in the *schedule*.

Nominated value

nominated value means the amount specified as the Nominated Value, exclusive of GST, in the *schedule*. This amount includes standard accessories, tools and spare parts that the manufacturer supplies as standard equipment with your *vehicle*, and any Vehicle Accessories specified in the *schedule*.

Occurrence

occurrence means an event or series of events including continuous or repeated exposure to substantially the same general conditions which result, unexpectedly and unintentionally from your standpoint, in *personal injury* or *property damage* or *advertising liability* during the *period of insurance*.

All *personal injury* or *property damage* happening during *the period of insurance* attributable to one source or to a common cause or to the same general conditions shall be deemed to be one *occurrence*.

With respect to *advertising liability* all *damage* involving the same injurious material or act, regardless of the frequency or repetition thereof, the number and kind of media used and the number of claimants shall be deemed to arise out of one *occurrence*.

Payload

payload means the maximum load that your *vehicle* is designed to carry.

Period of insurance

period of insurance means the Period of Insurance shown in the *schedule*.

Personal injury

personal injury means:

- (a) bodily injury, death, sickness, disease, shock, fright, mental anguish, psychiatric or psychological disorder or mental injury;
- (b) false arrest, false detention, wrongful imprisonment, malicious prosecution or humiliation;
- (c) defamation, libel, slander;
- (d) wrongful entry or wrongful eviction or other invasion of privacy; or
- (e) assault and battery committed by you or any of your *employees* while engaged in the *business* of hiring your *vehicle* for reward.

Pollutants

pollutants means any irritant or contaminant including, but not limited to smoke, vapour, soot, fumes, chemicals or waste. However, waste shall include but not be limited to all materials to be recycled, reconditioned, or reclaimed.

Premium

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

Public relations expenses

public relations expenses means the reasonable fees and related expenses of a public relations firm or consultant, crisis management firm or law firm which an *insured* in the reasonable exercise of their discretion may engage with our written consent to prevent or limit adverse effects or negative publicity in respect of a claim.

Schedule

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

Sum insured value

sum insured value means the amount specified as the Sum Insured Value, exclusive of GST, in the *schedule*.

This amount includes standard accessories, tools and spare parts that the manufacturer supplies as standard equipment with your *vehicle*, and any Vehicle Accessories specified in the *schedule*.

Territorial limits

territorial limits means anywhere in *Australia* that your *vehicle* is authorised to operate.

Tool of trade

tool of trade means the use or operation of a vehicle and/or any attachment, equipment, tool or apparatus which forms part of the vehicle, but only whilst engaged in and undertaking its designed purpose of digging, scraping, shovelling, grading, boring, drilling, compacting, harvesting, ploughing, shredding, lifting, clearing, levelling, hosing, pumping, spraying, vacuuming or suction activities.

Vehicle

vehicle means your Vehicle described in the *schedule* and includes:

- (a) any standard accessories that the manufacturer supplies as standard equipment with your *vehicle*; and
- (b) any non-standard Vehicle Accessories specified in the *schedule*.

Watercraft

watercraft means anything intended to float on, or in water, or travel on, through or under water.

Your products

your products means anything that is not in your physical custody or in your legal control that has been manufactured, grown, extracted, produced, processed, altered, handled, sold, supplied, distributed, imported or exported, repaired, serviced, treated, installed, assembled, erected or constructed by you. In addition, the above definition is extended to include packaging and containers used to package or contain *your products*.

Exclusions applicable to all Sections

This policy does not provide cover:

1. Acquisition of companies

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

2. Act of terrorism

any liability arising out of, or howsoever contributed to, whether directly or indirectly, or in any way involving any *act of terrorism* or any action taken in controlling, preventing, suppressing or in any way relating to any *act of terrorism*.

3. Asbestos

We will not be liable for any claim in connection with, directly or indirectly caused by, or contributed to by, or arising from asbestos or asbestos products or asbestos contained in any products.

4. Contractual liability

for liability arising under any undertaking or indemnity given or contracted by you without our written consent, unless such liability would have attached notwithstanding such undertaking or indemnity.

5. Dangerous goods

for *damage* that occurs or liability which is incurred while your *vehicle* is carrying any substance that is shown in the *Australian Dangerous Goods Code* as Goods Too Dangerous to Transport or while any such substance is being moved to or from your *vehicle* or while any such substance is being loaded or unloaded from your *vehicle*.

6. Fines / penalties

We will not be liable to pay for:

- (a) fines or penalties imposed by law or assumed by you under any contract, warranty or agreement; and
- (b) liquidated, punitive, exemplary, aggravated or multiple aggravated damages.

7. Motor sports, vehicle racing, testing

if at the time of the *damage* or when any liability was incurred, your *vehicle* was being used in:

- (a) any test or trial, other than for resale purposes on public roads;
- (b) any experiments; or
- (c) preparation for or involvement in racing, speed testing, speed trial, pace making, reliability trial, stunt, rallying or motor sport activities.

8. Non-approved fuel systems

if the *damage* or any liability incurred was a result of the use of a fuel system in your *vehicle* that does not comply with the appropriate Local Standard Code in the country in which the *vehicle* is operating.

9. Pollution

We will not be liable to pay for claims arising from:

- (a) *personal injury* or *property damage* directly or indirectly arising out of the discharge, seepage, migration, dispersal, release or escape of *pollutants* or contaminated substances into or upon any property, land, the atmosphere or any watercourse or body of water (including ground water);
- (b) *personal injury* or *property damage* directly or indirectly arising out of the discharge, seepage, migration, dispersal, release or escape of *pollutants* or contaminated substances caused by any product that has been discarded, dumped, abandoned or thrown away by others;
- (c) the cost of removing, nullifying or cleaning up *pollutants* or contaminated substances; or
- (d) the cost of preventing the escape of *pollutants* or contaminated substances.

Exclusions 9 (a) and (c) above shall not apply where the claim arises from a sudden identifiable, unintended and unexpected event which takes place in its entirety at a specific time and place during the *period of insurance*.

10. Repossession

for *damage* to your *vehicle* or any liability caused by any person lawfully repossessing or attempting to lawfully repossess your *vehicle*, where your *vehicle* is used as security for a debt.

11. Stock in trade

if at the time of the loss or *damage*, or when any liability was incurred, your *vehicle* formed part of the stock in trade of your *business*.

12. Unlawful acts (including unlicensed drivers)

if at the time of the loss or *damage* or when any liability was incurred:

- (a) you or any person driving your *vehicle* was doing so:
 - (i) for any unlawful purpose; or
 - (ii) as a result of, or occasioned by, you stealing, converting, absconding with, or otherwise misappropriating your *vehicle*, or deliberately inflicting loss or *damage* with, or to your *vehicle*.
- (b) you or any person driving your *vehicle*:
 - (i) had faculties impaired by any drug and/or intoxicating liquor;
 - (ii) had a percentage of alcohol or drugs in their breath, saliva, blood or urine in excess of the percentage permitted by the law of the applicable State or Territory where the incident occurred;
 - (iii) refused to provide or allow the taking of a sample of breath, saliva, blood or urine for testing or analysis; or
 - (iv) left the place where the *accident* arose, before being legally allowed to do so.
- (c) you or any person driving with your consent and knowledge was not licensed to drive your *vehicle*, or was disqualified from holding or obtaining such a licence.
- (d) your *vehicle* was being driven by a person who was not legally licensed to drive that vehicle in *Australia*.

Exclusion 12 (c) shall not apply if your *vehicle* is being driven by a person who is involved with the servicing of your *vehicle* on premises you occupy.

Further, Exclusions 12 (a) to (d) inclusive shall not apply if you can prove:

- (i) that you had no reason to suspect that your *vehicle* was being used in that manner;
- (ii) that you did not allow such use of your *vehicle*; or
- (iii) the driver's licence had unintentionally lapsed, was fraudulently produced, or was cancelled unknown to you as a result of unpaid parking fines, and the driver was the holder of a licence in the 12 months immediately prior to the lapsing of the licence,

and allow us to use all remedies available to recover all costs associated with any loss or *damage* occasioned, or liability incurred, by the driver of your *vehicle*.

13. Unroadworthy or unsafe vehicles

if at the time of the *damage* or when any liability was incurred, your *vehicle* was being used in an unroadworthy or unsafe condition.

This Exclusion shall not apply if you prove that the *damage* or liability incurred was not caused, or contributed to, by the unroadworthy or unsafe condition of your *vehicle*, or such unroadworthy or unsafe condition could not reasonably have been detected by you.

14. Vehicle overloading

if at the time of the *damage* or when any liability was incurred, your *vehicle* was being used to carry a number of passengers in excess of that for which it was constructed, registered or licensed, or contrary to the manufacturer's recommendations; or

This Exclusion will not apply if you can prove that:

- (i) you did not allow such use of your *vehicle*;
- (ii) you had no reason to suspect that your *vehicle* was being used in that manner; or
- (iii) the *damage* or liability incurred was not caused by, or contributed to, by such excess of passengers and/or load.

15. War, confiscation, radioactivity, nuclear perils

for 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; or
- (d) radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste or action of nuclear fission or fusion.

However 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.

16. Watercraft, Aircraft, hovercraft

We will not be liable for any claim in connection with, directly or indirectly caused by, or contributed to by, or arising from any:

- (a) *watercraft*;
- (b) *aircraft*, and any property used for the purpose of an airport or any *aircraft* landing strip; or
- (c) *hovercraft*.

17. Wilful damage

for *damage* that is intentionally caused or liability that is intentionally incurred by you, anyone acting on your behalf or any other covered persons.

Terms and Conditions applicable to all Sections

The following terms and conditions apply to your policy:

1. Cancellation

- (a) You may cancel this policy at any time by notifying us in writing.
- (b) We may cancel this policy by notifying you in writing, if you are in breach of any of the terms or conditions, or for any other reason available at law.

Notice of cancellation has the effect of cancelling this policy at 4.00pm, local standard time, on the 30th business day, after the day on which notice was sent to you.

- (c) (i) After cancellation by you, we will be entitled to retain:
 - (1) the pro rata *premium* for the period during which the policy has been in force;
 - (2) an additional 10% of that pro rata *premium* as a cancellation fee; and
 - (3) any tax or duty paid or owing for which we are unable to obtain a refund.
- (ii) After cancellation by us, you will be entitled to a refund on a pro rata basis in relation to the unexpired *period of insurance*.

2. Change of risk

You must notify us in writing of all changes materially affecting the facts or circumstances existing at the commencement of this policy, or at any subsequent renewal date, as soon as such change comes to your notice. Any additional *premium* as a result of the change must be paid by you.

3. Claims procedures

You and any person entitled to cover under this policy must:

- (a) notify us in writing with full details as soon as possible after any event which may become the subject of a claim under this policy;
- (b) must take all reasonable precautions to prevent further loss, *damage, personal injury, property damage or advertising liability*;
- (c) not authorise repairs on your *vehicle* (other than emergency mitigation costs or expediting expenses) without our written consent; and
- (d) notify the Police as soon as possible after you have become aware of the theft or attempted theft of, or malicious *damage* to your *vehicle*.
- (e) immediately send us any communication received from other parties in relation to any event which may become the subject of a claim under this policy;
- (f) tell us without delay on becoming aware of any impending prosecution in relation to any event which may become the subject of a claim under this policy;
- (g) provide all information and cooperation which we may require, including signing any statutory declaration or other documents;
- (h) not admit to, or negotiate any claim without our written consent;
- (i) must allow us to enforce:
 - (i) in your name and on your behalf, any legal rights held by you; or
 - (ii) in the name and on behalf of any other party covered by the policy, any legal rights held by them.
- (j) must allow us to negotiate, defend or settle any claim against:
 - (i) you in your name and on your behalf; or
 - (ii) any other party covered by the policy, in their name and on their behalf.

We shall be entitled to take legal proceedings in your name and/or in the name of any other party covered by the policy including the defence, settlement or prosecution of any claim, at our sole discretion.

4. Confidentiality

To the extent permitted by law you or any person acting on your behalf shall not without our prior written consent disclose:

- (a) the existence of your policy or any part of your policy;
- (b) the amount of *premium* paid or payable for your policy;
- (c) the extent of cover provided by your policy; or
- (d) any other terms or conditions of your policy.

5. Cross liability

Where the *insured* comprises more than one legal entity, the word 'you' shall be considered as applying to each entity as if that entity were the only entity named as you. We waive all rights of subrogation or action which we may have acquired against any such entities. The Limits of Liability stated elsewhere in this policy are not affected or increased as a consequence of this condition.

6. Fraud

We will not pay any claim if any fraudulent means or devices have been used by you, or anyone acting on your behalf, to obtain a benefit under this policy.

7. 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.

8. Other insurance

If you are entitled to indemnity under any other insurance policy, you must advise us of the particulars of that other insurance policy when making a claim.

9. Payments in respect of 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 supply, 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 supply, 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 supply.

10. Payment of excess

When you have a claim under your policy, you must pay the excess amount in accordance with the terms and conditions that apply to the applicable section.

11. Progress payments

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

12. Proper law and jurisdiction

The construction, interpretation and meaning of the provisions of this policy shall be determined in accordance with *Australian law*.

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*.

13. Reasonable care

You must exercise all reasonable care, precautions and use all due diligence to prevent loss or *damage* to the insured *vehicles* and prevent any liability, and comply with all statutory obligations and by-laws or regulations imposed by any Public Authority for the safety of the *vehicles* and for the carriage of passengers, goods or merchandise.

14. Vehicle alterations

If the suspension, wheels or engine of your *vehicle* are altered to increase performance, and as a result, that *vehicle* becomes classified as a non-acceptable risk in our guidelines, then all cover under this policy will be cancelled with respect to that *vehicle*, unless:

- (a) we have previously agreed to such alteration;
- (b) you have paid any additional *premium* we require;
- (c) you have authorised such vehicle alterations to meet specific operational requirements; and
- (d) you have agreed to accept any alteration or addition to the terms and conditions of this policy.

Section 1 – Own Damage

This section only forms part of your policy when Motor Vehicle Section 1 – Own Damage is shown in the *schedule* and is limited to the *period of insurance* indicated.

Cover

If during the *period of insurance*, an *accident* occurs to your *vehicle*, as noted in the *schedule*, within the *territorial limits* then we will pay in accordance with the following Basis of Settlement.

Basis of Settlement

The following Basis of Settlement will apply:

1. Repair

When your *vehicle* is *damaged* and we consider it economical to repair your *vehicle*, then we will pay for the reasonable cost of repairs to your *vehicle*.

2. Total loss

(a) Market value / Sum insured value

When your *vehicle* is stolen and not recovered, lost and not recovered, or *damaged* and we do not consider it economical to repair your *vehicle*, then if *market value* or *sum insured value* is stated in the *schedule* as the Basis of Settlement, the maximum amount we will pay for your *vehicle* is the lesser of:

- (i) the *market value*; or
- (ii) the *sum insured value*.

(b) Nominated value

When your *vehicle* is stolen and not recovered, lost and not recovered, or *damaged* and we do not consider it economical to repair your *vehicle*, then if *nominated value* is stated in the *schedule* as the Basis of Settlement then the maximum amount we will pay for your *vehicle* is the lesser of:

- (i) the *nominated value*; or
- (ii) the *market value* plus 15%.

Provided that the maximum amount we will pay in respect of Vehicle Accessories is the value of those Vehicle Accessories shown in the *schedule*.

3. Salvage

If we consider that your *vehicle* is uneconomical to repair and we pay according to the cover provided by this policy, you must allow us to take possession of your *vehicle*.

If we do not take possession of your *vehicle*, you retain responsibility for the *vehicle*.

Limitations of Cover

1. Limit per event

The maximum amount we will pay for *damage* arising out of the one event is \$10,000,000.

2. Spare parts

Our liability for replacement parts or accessories not available from stocks held in *Australia* is limited to the latest published list price in *Australia* of such replacement parts or accessories.

Optional Limitation of Cover

Fire and theft

When Fire and Theft is shown in the *schedule*, your *vehicle* is only covered for *damage* during the *period of insurance* caused directly by fire or theft only.

Extensions of Cover

When Extension of Cover 10 'New vehicle replacement' and Extension of Cover 14 'Total loss of encumbered vehicles' both become operative in a claim, the maximum amount we will pay will be the greater benefit of either Extension of Cover, and shall not be deemed cumulative.

1. Customers personal property

If your *vehicle* suffers loss or *damage*, we will pay for any uninsured personal property of your customers, as a result of loss or *damage* to that property whilst in your *vehicle*, up to the maximum amount of \$1,500 per event.

However this Extension of Cover will not cover cash, negotiable instruments, jewellery and furs belonging to your customers.

2. Drivers personal property

If your *vehicle* suffers loss or *damage*, we will pay for any uninsured wearing apparel and your *drivers' personal property* as a result of loss or *damage* to that property whilst in your *vehicle* up to the maximum amount of \$500 per event and \$2,000 in total during any *period of insurance*.

3. Emergency mitigation costs

In the case of an emergency, we give you the authority to arrange, on our behalf and at a reasonable cost, the following:

- (a) repair or replacement of your *vehicle's* windscreen and/or windows; or
- (b) the towing of your *vehicle* to the nearest repairer or place of safety, or to any other place already approved by us.

4. Expediting expenses

If loss or *damage* to your *vehicle* occurs, we will pay you for the reasonable additional costs necessary to effect immediate temporary repairs, or to expedite permanent repairs of the *damage* to the *vehicle*.

However such cost per event does not exceed 50% of the normal repair costs or \$5,000, whichever is the lesser.

5. Funeral expenses

Should your driver suffer a fatal injury as a result of an *accident* involving your *vehicle* (irrespective of whether or not death occurs at the time of the *accident*), the policy extends to pay to the deceased driver's next of kin, funeral expense up to a maximum amount of \$10,000.

6. Hire vehicle following theft

In the event of your *vehicle* being stolen, we will, at our option, arrange hire of, pay the cost of, or reimburse you the reasonable cost of the hire of a vehicle, to a maximum amount of \$5,000 per vehicle.

However, this is on the basis that:

- (a) the payment / reimbursement is limited to costs incurred by you after you have notified us of the loss; and
- (b) the substitute vehicle is of a similar like and kind to that stolen; and
- (c) the payment / reimbursement will cease on the day the stolen *vehicle* is recovered, or the day we offer settlement to you for the stolen *vehicle*,

whichever occurs first.

7. Journey disruption

Following loss or *damage* to your *vehicle*, we will pay you the reasonable costs of:

- (a) returning your driver and their passengers to the point of departure or, at your option, to the driver's destination;
- (b) obtaining overnight accommodation if the journey cannot be completed in the same day as the loss or *damage* occurs; or

(c) hiring another vehicle of similar make and model to complete the journey or to return your driver to where the journey first commenced,

up to a maximum amount of \$3,000 per event, provided that:

- (i) the loss or *damage* was covered under this policy;
- (ii) the *vehicle* was being used in connection with your *business*; and
- (iii) your *vehicle* was more than 100km from its usual place of garaging.

8. Locks / keys

If after *damage* to your *vehicle*, the keys are lost, destroyed or *damaged*, or if there are reasonable grounds to believe that the keys may have been duplicated, we will reimburse the costs of replacing the key ignition barrel, all locks and keys if required, up to a maximum amount of \$5,000 per event.

Nil excess will apply if no other loss or *damage* has occurred to your *vehicle*.

9. Maritime contribution

We will pay amounts for which you are held legally responsible to contribute in respect of your *vehicle*, for expenses and salvage costs incurred by a shipowner, where necessary for the safety of cargo and ship, provided:

- (a) such conditions under maritime law apply; and
- (b) the ship is sailing between places within *Australia*.

10. New vehicle replacement

If at the time your *vehicle* first suffers loss or *damage*, it:

- (a) is a sedan, station wagon, 4WD, utility or Other Goods Carrying Vehicle up to 5 tonnes *payload* carrying capacity or less; and
- (b) is less than two years old from the date of your *vehicle's* first registration; and
- (c) is stolen and not recovered, lost and not recovered or *damaged* and we do not consider it economical to repair your *vehicle*,

we will replace it with a new vehicle of the same make, model and series (or if unavailable a vehicle of similar make and model) and shall include registration fees, delivery charges and stamp duty.

However where:

- (i) your *vehicle's* model has been deleted from a manufacturer's range;
- (ii) your *vehicle's* model is superseded by a vehicle that is in our opinion significantly different to your *vehicle*; or
- (iii) your *vehicle* was bought as an end of series, run-out or demonstration model,

then we may at our option pay only the amount of the actual purchase price that you paid for your *vehicle* including any registration fees, delivery charges and stamp duty if these items were included in the purchase price.

11. Removal and delivery expenses

If your *vehicle* suffers loss or *damage* covered by this section, we will pay for reasonable costs necessarily incurred by you in removing your *vehicle* (excluding any debris or load) and, where applicable, relocating your *vehicle* to the nearest repairer which we have approved and/or delivering your *vehicle* to you at your usual place of garaging after its repair or recovery, up to a maximum amount of \$25,000 per event.

12. Removal of debris / load

We will pay you for reasonable costs necessarily incurred for the clean-up and removal of your *vehicle's* debris and your *vehicle's* load arising from an *accident* or resulting from goods falling or leaking from your *vehicle*, but only to a maximum amount of \$25,000 per event.

However this Extension of Cover will only provide cover for any amount in excess of which your *vehicle's* load is otherwise insured.

13. Signwriting

If your *vehicle* is *damaged*, we will pay the reasonable cost of repairing or replacing any signwriting or artwork on or affixed to your *vehicle* that is *damaged*.

Any amount payable will be included in calculating the maximum amount we will pay you for *damage* to your *vehicle* in accordance with the Basis of Settlement.

14. Total loss of encumbered vehicles

If:

- (a) *market value* or *sum insured value* is shown in the *schedule* as the Basis of Settlement; and
- (b) your *vehicle* is stolen and not recovered, lost and not recovered or *damaged* and we do not consider it economical to repair your *vehicle*; and
- (c) your *vehicle* is the subject of a lease agreement or other similar agreement; and
- (d) the terms of the lease agreement or other similar agreement require you to make a payment the 'termination payment' to the other party to the lease agreement, or other similar agreement, in order to terminate that agreement; and
- (e) the amount of the 'termination payment' is greater than the amount we will pay you in respect of your *vehicle* calculated in accordance with the Basis of Settlement,

then we will pay you or any other party whom you direct us to pay the difference between the amount of the 'termination payment' and the amount we will pay to you in respect of your *vehicle*, calculated in accordance with the Basis of Settlement.

The maximum amount we will pay under this Extension of Cover is:

- (i) 20% of *market value*; or
- (ii) 20% of *sum insured value*,

whichever is the lesser.

This amount is in addition to any amount we pay for *damage* to your *vehicle*.

Optional Extensions of Cover – Section 1

1. Deletion of windscreen excess

If 'Deletion of Windscreen Excess' is shown in the *schedule*, you do not have to pay any *basic excess* where the only *damage* occasioned to your *vehicle* is windscreen or window glass breakage (including incidental scratching to body work).

However this is on the basis that your *vehicle* is a sedan, station wagon, 4WD, utility or Other Goods Carrying Vehicle up to five tonnes *payload* carrying capacity.

2. Downtime

If 'Downtime' is shown in the *schedule*, and your *vehicle* is rendered totally inoperable as a result of loss or *damage* for which liability has been admitted under this policy, then we will pay, up to the Sum Insured specified in the *schedule* for:

- (a) reimbursement of any lease, hire purchase payments or other financial commitments actually paid by you to the financier for the *vehicle* indemnified by this policy; or
- (b) reimbursement of the costs actually paid by you for the hiring or rental of a similar model and type of vehicle to temporarily replace the *vehicle* indemnified by this policy.

However:

- (i) if we elect to repair your *vehicle*, indemnity starts seven days after we agree to repair the *damage*, and continues until the *vehicle* is fully repaired; or we make a final settlement for the *damage*, whichever occurs first.
- (ii) if the *vehicle* suffers loss or *damage* to the extent it cannot be economically repaired, reinstated or replaced, then indemnity starts seven days from the time such loss of *damage* occurs or seven days following the report of a theft to us (whichever is later in time), and continues until we make a final offer of settlement of the loss or *damage*.
- (iii) you must provide us with any invoice, receipt or other documentary evidence that we may request to support your claim for reimbursement of financial or hiring costs referred to above.

3. Driver accident benefit

If 'Driver accident benefit' is shown in the *schedule*, we will pay you or your authorised driver for injury suffered within six months of an *accident* which was caused solely and directly by you or your authorised driver, in accordance with the following table.

Table of Benefits

Injury	Benefit
Quadriplegia	\$100,000
Paraplegia	\$100,000
Loss of sight in both eyes	\$50,000
Loss of sight in one eye	\$25,000
Loss of sight in one eye, the other eye being blind or absent	\$50,000
Loss of one hand or foot	\$50,000
Death	\$20,000

The above benefits are inclusive of legal costs.

In the event that you or your authorised driver suffers more than one injury we will pay you or your authorised driver the highest single benefit value. Should death directly or indirectly result within six months of an *accident*, we will only pay the 'Death' benefit to your or your authorised driver's estate notwithstanding any other injuries suffered.

However we will not pay:

- (i) unless you or your authorised driver's claim has been accepted under this policy;
- (ii) in the event that injury or death was intentionally caused or resulted from an *accident* that was intentionally caused;
- (iii) if you or your authorised driver receive or have received damages or *compensation* under a statutory compensation scheme as a result of injuries in the same *accident*;
- (iv) if your *vehicle* is not a sedan, station wagon, 4WD, utility or Other Goods Carrying Vehicle up to five tonnes *payload* carrying capacity or less; or
- (v) if your *vehicle* is registered in the Northern Territory.

For the purposes of this Extension of Cover, loss means complete and permanent loss of the effective use of a part of the body or faculty referred to in the Table of Benefits.

Further and as a condition of this Extension of Cover only, you must provide us with documentation from a qualified medical practitioner verifying that the injuries were a direct result of the *accident* (and if required, attend a medical examination with a qualified medical practitioner of our choice and at our expense).

4. No claim bonus (NCB) protection

If 'NCB Protection' is shown in the *schedule*, on the first occasion that your *vehicle* suffers *damage*, which is covered by this policy, we will not amend, adjust or vary the NCB applicable to your *vehicle*.

However the protection provided under this Optional Extension of Cover is limited to one incident of *damage* to your *vehicle* in each *period of insurance*.

5. Hire vehicle following an accident

If 'Hire Vehicle' following an Accident is shown in the *schedule*, we will at our option, either arrange for the hire of a substitute vehicle, or we will reimburse you up to \$150 per day, to a maximum of \$3,000 per event for costs incurred in hiring a substitute vehicle, of similar and like kind to that *damaged*. Provided that:

- (a) reimbursement is limited to costs incurred after you have notified us of the *accident*; and
- (b) reimbursement will terminate upon:
 - (i) lapsing or other termination of the policy;
 - (ii) the day the repairs are completed and you are notified to collect the *vehicle*, or a replacement vehicle is offered by us; or
 - (iii) the day we offer settlement of the loss or *damage*,whichever occurs first.

Exclusions of Cover

We will not pay for:

1. Lawful seizure

for loss or *damage* to your *vehicle* as a result of lawful seizure, confiscation, or acquisition.

2. Loss of use

for any consequential loss, inconvenience or other detriment of any kind, resulting from loss or *damage* to your *vehicle*.

3. Obsolete parts

any amount greater than the manufacturer's latest list price for the supply of any part that is not available locally.

4. Safeguarding your vehicle

for loss or *damage* due to failure to lock or secure your *vehicle* after it has broken down or been *damaged*.

5. Theft by hirer

for theft or attempted theft of your *vehicle* by any hirer.

6. Tyres

for loss or *damage* to the tyres of your *vehicle* caused by the application of brakes or by road punctures, cuts, blow-outs or bursting, unless caused as a result of an *accident* or a malicious act which is covered under this policy.

7. Vehicle deterioration

- (a) for loss or *damage* to your *vehicle* due to depreciation, wear and tear, rust or corrosion; or
- (b) for loss or *damage* to your *vehicle* or any resultant mechanical damage:
 - (i) due to failure or breakdown of a structural, electrical, mechanical or electronic nature; or
 - (ii) to any part of your *vehicle*, due to faulty design or workmanship.

However we will cover loss or *damage* to your *vehicle*, if an *accident* occurs resulting from a failure under 7 (b) (i) or 7 (b) (ii).

Section 2 – Third Party Liability

In addition to these Exclusions, please refer to Exclusions applicable to all Sections which are applicable to this policy.

This section only forms part of your policy when Motor Vehicle Section 2 – Liability is shown in the *schedule* and is limited to the *period of insurance* indicated.

Cover

If your *vehicle* is registered and/or licensed as required by laws relating to the use of motor vehicles on public roads (or if your *vehicle* is a towed vehicle for which registration or licensing is not required by any such laws) we will pay the amount which:

1. you;
2. any person legally licensed to drive or be in charge of your *vehicle* with your permission provided that person has not been refused motor insurance and is not entitled to cover under any other policy;
3. any person in or on, or getting in or on, or getting out of, or off your *vehicle* with your permission; or
4. the legal representatives of any deceased person to whom cover is provided in 1 to 3 above,

may be held legally liable to pay as *compensation* resulting from an *accident* occurring within the *territorial limits*, during the *period of insurance* and caused by or arising out of the use of your *vehicle* for:

- (a) *damage* to property;
- (b) the costs incurred as a result of fire, explosion, falling, leakage or spillage of transported goods, in or on, or from your *vehicle*; and
- (c) death or bodily injury, but we will not pay:
 - (i) if you or any other person entitled to cover under this Section 2 – Third Party Liability has been, or is entitled to be, partially or wholly indemnified by any statutory compulsory insurance or accident compensation scheme, including any compulsory motor vehicle scheme; or
 - (ii) for any claim for which you or any other person entitled to cover under this Section 2 – Third Party Liability would have been partially or wholly indemnified, but for your failure to insure or register your *vehicle* in accordance with a requirement of any statutory compulsory insurance or accident compensation scheme, including any compulsory motor vehicle scheme.

The persons to whom cover is provided under clauses 2 to 4 above are referred to in this policy as 'other covered persons'.

Limitations of Cover

Our total liability under this Section is \$30,000,000 or the amount shown in the *schedule*, for all claims arising from the one *accident* or series of *accidents* resulting from the one original cause, unless your *vehicle* is being used for transportation of dangerous goods, and complies with the Australian Code for the Transport of Dangerous Goods by Road and Rail, in which case our total liability under this Section is limited to \$1,000,000.

The limits of liability include all costs and expenses for all claims arising from the one *accident*, or series of *accidents* resulting from the one original cause.

Extensions of Cover

1. Employer or principal

We will pay the amount which:

- (a) your employer, principal or partner; or
- (b) the Commonwealth, State or Local Government,

becomes legally liable to pay as *compensation* caused by, or arising out of the temporary use of, your *vehicle*.

2. First aid costs

In addition to the Liability Limit, we will pay for expenses incurred by you or any other covered persons for first aid to others who suffered bodily injury as a result of an *accident* involving your *vehicle*.

3. Legal costs and authorised expenses

When an *accident* is covered by this section we will pay, in addition to the Liability Limit, all legal costs and expenses incurred by you or any other covered persons, with our written consent, in settlement or defence of claims for *compensation* arising out of that *accident*. Furthermore, we will pay reasonable legal expenses incurred with our written consent for representation at any formal legal enquiry or at any Coroner's Inquest.

However if the Liability Limit shown in the *schedule* is less than the total amount paid or payable to settle or dispose of all claims that arise out of the one *accident*, then we will only pay a proportion of the legal costs and expenses. Our proportion will be that proportion that the Liability Limit represents to the total amount paid or payable to settle or dispose of all claims that arise out of the one *accident*.

4. Non-owned or supplied vehicles

We will pay the amount which you may be held legally liable to pay as *compensation*, resulting from an *accident* occurring during the *period of insurance*, caused by, or arising out of the use of a vehicle not owned by you, and being used by you, or one of your *employees*, or some other person with your consent, in connection with your *business*.

However as far as is allowed by law, this Extension of Cover will only provide cover for any amount in excess of the liability for which you are entitled to indemnity under any other insurance policy.

5. Uninsured motorist

If your *vehicle* is only insured for Section 2 – Third Party Liability cover, we will pay up to \$5,000 per *accident*, less any applicable *excess* for *damage* to your *vehicle* caused in a collision with an uninsured vehicle, if:

- (a) we agree the other driver was completely at fault in the *accident*, and
- (b) you can provide us with the name and address of the other driver.

A vehicle is uninsured if neither the driver nor the owner of that vehicle had an insurance policy that would cover them for legal liability to pay compensation for property damage.

6. Vehicles under tow

We will provide cover under this section, for loss or *damage* caused whilst your *vehicle* is towing any disabled vehicle, provided the disabled vehicle is not being towed for reward or financial gain.

Exclusions of Cover

We will not pay for:

1. Death / bodily injury

death or bodily injury:

- (a) if you or any other person entitled to cover under this section, has been, or is entitled to be, partially or wholly indemnified by any statutory compulsory insurance or accident compensation scheme, including any compulsory motor vehicle scheme;
- (b) for any claim for which you or any other person entitled to cover under this section, would have been partially or wholly indemnified, but for your failure to insure or register your *vehicle* in accordance with a requirement of any statutory compulsory insurance or accident compensation scheme, including any compulsory motor vehicle scheme;
- (c) to you or any person in charge of your *vehicle*;
- (d) (i) to any person related to you; or
(ii) any person related to the person in charge of your *vehicle*,
by way of birth, marriage or defacto relationship.
- (e) to any person with whom you ordinarily reside or who ordinarily resides with you;
- (f) to any *employee*, agent, contractor, or sub-contractor employed or engaged by any person entitled to indemnity under this policy;

- (g) to any person in or on, getting in or on, or getting out of, or off any bus, coach or caravan, whether registered or deemed to be registered;
- (h) arising out of, or in any way connected with a defect in your *vehicle*, or in a motor *vehicle* causing loss of control of the *vehicle* whilst it is being driven;
- (i) to any person injured by a Queensland or New South Wales registered trailer only, either whilst in tow and/or unattached;
- (j) to any person injured by a Northern Territory registered vehicle; or
- (k) where at the time of the *accident*, you did not have in force a current general liability or public liability policy pertaining to your *business* operations.

2. Employer's liability

death or bodily injury to any person:

- (a) caused by or arising out of the employment of the person by you; or
- (b) in your service that arises from any liability imposed by:
 - (i) any workers' compensation legislation; or
 - (ii) any industrial award, agreement or determination.

3. Property in custody or control

damage to property that is owned by you or any other covered persons, or leased or rented to you or any other covered persons or property in the physical or legal control of the driver of your *vehicle*.

For the purpose of this Exclusion only:

- (a) *employees'* or *visitors'* vehicles, whilst contained within your car park or premises; and
- (b) premises leased or rented to you,

are not deemed to be in your custody or control.

4. Statutory liability

any liability you or other covered persons incur to pay *compensation* which is the subject of any compulsory motor vehicle insurance law.

5. Tool of trade

any liability of whatsoever nature whilst being used as a *tool of trade*.

This Exclusion will not apply whilst your *vehicle* is in transit or whilst being used for transport or haulage.

6. Unregistered vehicles

any liability arising out of the use of any unregistered *vehicle*.

However, we will cover your liability in respect of the unregistered *vehicle* in a place that requires registration, provided you have complied with the appropriate statutory requirements and obtained necessary permits to move the unregistered *vehicle*.

7. Vibration / vehicle weight

damage to property that is caused by:

- (a) vibration; or
- (b) the weight of your *vehicle* exceeding any lawful requirements or advisory signs.

In addition to these Exclusions, please refer to Exclusions applicable to all Sections which are applicable to this policy.

Extensions of Cover – Sections 1 and 2

1. Crisis coverage

This policy extends to cover you, up to a limit of \$10,000 to pay *public relations expenses*, with our written consent, in respect of any claim made during the *period of insurance*.

When your *vehicle* is stolen and not recovered, this clause will have no application.

2. Disability Modifications

We will pay up to \$5,000 per event should you or your driver who suffers an injury as a result of an *accident* involving your *vehicle* and such injuries renders you or your driver with a permanent disability that necessitates vehicle modifications to your *vehicle* or your driver's private vehicle, the policy is extended to pay costs associated with effecting such modifications.

3. No fault excess

If the total excess applicable to your claim is \$5,000 or less then you will not have to pay any excess towards a claim if:

- (a) we determine that the claim involves a collision with another vehicle and the driver of the other vehicle was 100% at fault; and
- (b) you tell us the registration number of the other vehicle and the full name and address of the other driver or their driver's licence number; and
- (c) the amount of your claim exceeds the applicable excess under the policy.

Where the driver of the other vehicle disputes who was at fault, the applicable excess will then become payable but will be refunded if we are successful in establishing that the other driver was 100% at fault. Similarly, we reserve the right to collect the excess should it ultimately be determined that the third party was not 100% at fault.

4. Novated leases

This policy extends to cover *employees*, their spouses and immediate family's vehicles, which are the subject of a novated lease or similar agreement, arranged under the auspices of, and specifically agreed to be covered by, the *insured*.

5. Police, Fire Brigade and other Authorities

This policy extends to cover you up to a limit of \$20,000 per event for all costs levied by the following authorities, as a result of loss or *damage* involving an insured *vehicle*, requiring or resulting in the attendance of any members of:

- (a) any Police Force at the *accident* site;
- (b) any Fire Brigade; or
- (c) any other Authority.

6. Psychological counselling

This policy extends to cover you, up to a limit of \$10,000, for reasonable costs incurred in your driver obtaining professional counselling, as a result of an *accident* involving your *vehicle* where you are liable for *compensation*. In the event that no loss or *damage* has occurred to your *vehicle* and there is no third party property damage claim involved, then nil excess will apply to this Extensions of Cover.

However, this benefit does not cover any costs incurred which are covered by Medicare or private health insurance for which we are not permitted by law to provide.

7. Registration of vehicles

The cover granted by this policy shall not be prejudiced in the event of the registration of the *vehicle* insured being cancelled or suspended, as a consequence of traffic or parking default.

8. Vehicle additions

Where you acquire any additional vehicles during the *period of insurance*, the cover provided by this policy for your *vehicle* will also apply to that additional vehicle, subject to the following:

- (a) within 30 days of the date you acquire the additional vehicle, you must provide to us full details of that additional vehicle as are set out in the *schedule* in respect of your *vehicle*;
- (b) the additional vehicle must be of a similar type, make, and model to your *vehicle*;
- (c) you must pay any additional *premium* we impose in respect of that additional vehicle; and
- (d) the maximum amount we will pay under this policy in respect of each additional vehicle is \$300,000.

Section 3 – General Liability

This section only forms part of your policy when Section 3 – Liability is shown in the *schedule* and is limited to the cover described in this section.

Cover

Our liability to pay *compensation* as a result of an *occurrence* shall not exceed the Limit of Liability which is \$20,000,000, or the amount shown in the *schedule*.

We will, subject to the terms and conditions of this policy, pay the amount of *compensation* that you are legally required to pay for:

- *personal injury*;
- *property damage*; and/or
- *advertising liability*,

in connection with the *business* of hiring your *vehicle* for reward (including assisting passengers getting in and out of your *vehicle*), as a result of an *occurrence* happening during the *period of insurance* within the *territorial limits*. This also includes your home office, tenancy of office premises in running your *business* and any private work carried out by your *employees* with your consent for any of your directors or senior executive officers, directly in connection with the *business* of hiring your *vehicle* for reward.

However:

- (a) we will not pay more than the Limit of Liability for Liability shown in the *schedule* in respect of any one *occurrence*; and
- (b) all *personal injury* and all *property damage* claims happening during the *period of insurance* that result from:
 - (i) one original source; or
 - (ii) one original cause,shall be considered to have been caused by a single *occurrence*;
- (c) all *advertising liability* damages involving the same injurious material or act, regardless of the frequency or repetition thereof, the number and kind of media used and the number of claimants shall be deemed to arise out of one *occurrence*.

Extensions of Cover – Liability

1. Additional payments

In addition to the Limit of Liability we will pay as additional payments all:

- (a) reasonable legal costs and expenses incurred by you with our written consent in the defence of any claim;
- (b) expenses incurred by you for first aid to others;
- (c) reasonable expenses incurred by you for the temporary repair or shoring up or preservation of property which has been damaged; and
- (d) interest accruing after entry of judgment against you until we have paid, tendered or deposited in court such part of the judgment as does not exceed the Limit of Liability, resulting from an *occurrence* which is otherwise covered by this policy, provided that:
 - (i) if a payment exceeding the Limit of Liability has to be made to dispose of a claim, our liability to pay any additional payments shall be limited to that proportion of those amounts as the Limit of Liability bears to the amount paid to dispose of the claim;
 - (ii) we shall not be obligated to pay any *compensation* or additional payments, or judgment or to defend any suit after our Limit of Liability has been exhausted by payment of claims, judgments and/or settlements.

In the event you are a party to claim, legal proceedings, inquiry or hearing which is covered only in part by this policy, Zurich will endeavour to allocate the costs and/or expenses in a fair and proper way with you. However if agreement cannot be reached, Senior Counsel (to be mutually agreed upon by both parties) shall determine a fair and proper allocation. At its discretion, Zurich may continue to pay such costs and/or expenses as it considers appropriate, until such time as Senior Counsel makes a determination.

2. Cover for others

In the same manner and to the same extent that we provide cover to you, we will provide cover under Section 3 of the policy to the following:

- (a) any of your directors, executive officers, partners or *employees* while acting within the scope of their duties in such a capacity in connection with your *vehicle*;
- (b) any of your directors, executive officers, partners or *employees* who are an accredited and authorised limousine or hire car driver/chauffeur in accordance with the South Australian Passenger Transport (General) Regulations 1994 Act while acting within the scope of their duties in such a capacity in connection with your *vehicle*;
- (c) any of your directors, executive officers or partners for liabilities arising from the private work undertaken by your *employees* for those directors, executive officers or partners;
- (d) any principal but only for its liability for *personal injury* or *property damage* that is directly caused by your performance of the work for that principal and only to the extent that we would cover you under Section 3 for your liability to that principal had it made a claim against you in respect of the circumstances giving rise to its liability;

However:

- (i) where the work was carried out by you in an attempt to comply with a contract to perform work, that was made between you and that principal; and
- (ii) our liability shall not exceed the lesser of the minimum amount of liability cover required by the contract to perform the work and the Limit of Liability for Section 3 shown in the *schedule*; and

for the avoidance of doubt, it is further provided that where a principal makes a claim under (c) above, the 'Employer's liability' Exclusion shall apply so that we will not pay for that principal's liability for *personal injury* to any person in the service of either:

- (i) you; or
- (ii) that principal;
- (e) any other entity incorporated in the Commonwealth of Australia under the control of the Insured named in the *schedule* and over which it is exercising active management;
- (f) any licensed driver whilst solely under contract to you, where that driver is not deemed to be your *employee*.

However 2 (f) above shall not apply to any licensed driver who complies with the South Australian Passenger Transport Act 1994, whether or not they comply under the South Australian Passenger Transport (General) Regulations 1994, and take out their own personal liability insurance.

Exclusions of Cover

This Liability Section does not cover:

1. Admission of liability

any liability assumed by you solely through any admission made by you.

2. Advertising liability

advertising liability that is caused by or arises out of:

- (a) statements made by you or at your direction, with the knowledge of the illegality or falsity thereof;
- (b) a breach of contract, other than misappropriation of advertising ideas contrary to an implied contract;
- (c) an infringement or passing off of a trade mark, service mark or trade name on any products, goods or services sold, offered for sale or advertised, other than an infringement of titles or slogans;
- (d) the incorrect description of the price of products, goods or services;
- (e) the failure of products, goods or services to conform with advertised performance, quality, fitness or durability; or
- (f) acts, errors or omissions committed prior to the inception date of the Liability Section.

3. Assault and battery

personal injury or *property damage* arising directly or indirectly out of assault and battery committed by you or any of your directors, executive officers, partners or *employees*.

This Exclusion will not apply when such assault and battery is committed for the purpose of preventing or eliminating danger to persons or property.

4. Contractual liability

any liability or obligation you assume under any agreement or contract except to the extent that:

- (a) the liability or obligation would otherwise have been implied by law;
- (b) the liability or obligation arises from *incidental contracts*;
- (c) the liability or obligation you assumed under any warranty under the requirement of Federal or State legislation in respect to product safety;
- (d) the liability or obligation is assumed under those agreements specified in the *schedule*.

5. Defamation, libel and slander

the publication or utterance of a defamation, libel or slander, prior to the inception date of this policy or made at the direction of an *insured* person with knowledge of the falsity thereof.

6. Employer's liability

- (a) *personal injury* to any person arising out of, or sustained in the course of, the employment of such person in your service, or through the breach of any duty owed to that person, where you:
 - (i) are indemnified or entitled to be indemnified (either in whole or in part and/or whether such insurance is limited in amount or not) in respect of claims for damages under a policy of insurance (which expression includes arrangements made by you to provide accident insurance for any of your workers under a licence to self insure) arranged (whether by law or not) in accordance with any workers' compensation legislation or accident compensation legislation; or
 - (ii) would have been indemnified or entitled to be indemnified (either in whole or in part and/or whether such insurance is limited in amount or not) had you arranged a policy of insurance as required by such legislation;
- (b) *personal injury* to any person arising out of, or sustained in the course of the employment of such person in your service in Western Australia, other than a person of whom you are deemed to be an employer by reason only of Section 175 of the Workers' Compensation and Injury Management Act 1981 (WA);
- (c) *personal injury* arising out of the harassment, libel, slander, defamation or humiliation of, or discrimination against, any person while in your service or while employed by you;
- (d) mental anguish, shock or fright suffered by any person arising out of, or in the course of, that person's employment by, or service to you;
- (e) liability of a type in respect of which indemnity previously would have been provided under a policy of insurance arranged in accordance with any workers compensation legislation or accident compensation legislation, but in respect of which indemnity has been withdrawn or reduced as a consequence of a change to the scope, terms, provisions, or requirements of such legislation made after the commencement of the current *period of insurance* of this policy;
- (f) any other liability imposed by the provisions of any workers compensation legislation or accident compensation legislation or any industrial award, agreement or determination; or

(g) *personal injury* to:

- (i) you or any person in charge of your *vehicle*;
- (ii) the spouse, defacto spouse, partner, parents, siblings or children of any person in (g) (i) above, or the parents, siblings or children of any of those persons;
- (iii) any person you live with; or
- (iv) any *employee*, agent, contractor or sub-contractor employed or engaged by any person entitled to indemnity under this section.

7. Information technology hazards

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

However this Exclusion does not apply to:

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

8. Owned vehicles and accessories

property damage to your *vehicle* or *accessories*.

9. Products liability

personal injury or *property damage* that arises from any of your *products*.

This Exclusion shall not apply to any food or drink supplied to your paying customers.

10. Professional services

personal injury or *property damage* that is caused by or arises from:

- (a) any professional service provided by you for a fee;
- (b) your failure to provide any professional service for which you would normally charge a fee; or
- (c) any error or omission in the professional service provided by you for a fee.

This Exclusion shall not apply to any first aid, medical, health or emergency services provided by you.

11. Property in physical or legal control

property damage to the following property that is not owned by you but which is in your physical or legal control:

- (a) any *aircraft*;
- (b) any *watercraft* that is not on dry land;
- (c) any *vehicle* leased to you including any attaching *accessories*;
- (d) any vehicle in a car park owned or operated by you for reward as a principal part of your *business*;

- (e) all other property, provided that we do cover your liability for:
- (i) *property damage* to:
 - A. premises leased or rented to you;
 - B. premises that you temporarily occupy in order for you to carry out work; and
 - C. personal effects of your directors, *employees* and visitors;up to the Limit of Liability for Liability; or
 - (ii) *property damage* to all other property but subject to cover being limited in the aggregate to \$500,000 for all *property damage* to such property that results during the *period of insurance*.

12. Property owned by you

property damage to property that you own.

13. Tobacco or tobacco smoke

personal injury or *property damage* arising directly or indirectly out of the inhalation or ingestion of, or exposure to tobacco or tobacco smoke or any ingredient or additive present in any articles, items or goods which contain or include tobacco.

14. Vehicles

personal injury or *property damage* caused by or arising out of the ownership, use, possession, or control by you or your *vehicle* or any attachment to your *vehicle*:

- (a) which is registered; or
- (b) in respect of which registration or insurance is required by virtue of any legislation relating to vehicles; or
- (c) in respect of which compulsory liability insurance or statutory indemnity is required by virtue of any legislation (whether or not insurance is effected).

This Exclusion does not apply to claims for:

- (i) *personal injury* arising out of an *occurrence* which is partially (to the extent of that part) or totally outside the indemnity afforded under such compulsory liability insurance or other legislation relating to vehicles and where the reason the *occurrence* is outside the indemnity afforded by compulsory liability insurance or statutory indemnity does not involve a breach by you of legislation relating to vehicles;
- (ii) *property damage* arising out of and during loading and unloading of goods to or from any vehicle;
- (iii) *property damage* caused by the operation or use of any vehicle which is designed primarily for lifting, lowering, loading or unloading whilst being operated or used by you or on your behalf; or
- (iv) *property damage* caused by the use of any tool or plant forming part of or attached to or used in connection with any vehicle other than when travelling to or from any work site or transporting or carting goods.

Furthermore, this Exclusion will not apply to any false arrest, false detention or assault, referred to in points (b) and (e) in the definition of *personal injury*.

In addition to these Exclusions, please refer to Exclusions applicable to all Sections which are applicable to this policy.

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