

Farm Pack – Business

Rural Insurance Policy



About this booklet

This booklet contains 2 separate parts:
General Information and the Policy Terms and Conditions.

General Information

This part of the booklet contains information you need to know before you take out a Policy. Please read it carefully before taking out this insurance.

Policy Terms and Conditions

The Policy part of this booklet contains the Policy Terms and Conditions, which detail all the terms, conditions and exclusions relating to the Policy. It forms part of your legal contract with us.

If we issue you with an insurance policy, you will be given a Policy Schedule. The Policy Schedule sets out the specific terms applicable to your cover and should be read together with the Policy Terms and Conditions.

The Policy Terms and Conditions and the Policy Schedule we send to you form your legal contract with us so please keep them in a safe place for future reference.

If you require further information about this product, please contact your Financial Services Provider.

About QBE Australia

QBE Insurance (Australia) Limited is a member of the QBE Insurance Group (ASX: QBE). QBE Insurance Group is Australia's largest international general insurance and reinsurance group, and one of the top 25 insurers and reinsurers worldwide. The company has been operating in Australia since 1886 and continues to provide industry-leading insurance solutions that are focused on the needs of intermediaries and their clients.

QBE is a household name in Australian insurance, backed by sizeable assets, and well known as a strong and financially secure organisation.

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GENERAL INFORMATION FOR FARM PACK – BUSINESS POLICY

The information contained in this part is general information only and does not form part of your contract with us. The Policy Terms and Conditions in the rest of this booklet contain details of your contract.

Duty of Disclosure – What you must tell us

Under the Insurance Contracts Act 1984 (the Act), you have a Duty of Disclosure. The Act requires that before a policy is entered into, you must give us certain information we need to decide whether to insure you and anyone else to be insured under the policy, and on what terms. Your Duty of Disclosure is different, depending on whether this is a new Policy or not.

New business

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

When answering our questions you must be honest.

- **Who needs to tell us**

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

- **If you do not tell us**

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

Renewals, variations, extensions and reinstatements

Once your Policy is entered into and is no longer new business then your duty to us changes. You are required before you renew, vary, extend or reinstate your Policy, to tell us everything you know and that a reasonable person in the circumstances could be expected to know, is a matter that is relevant to our decision whether to insure you, and anyone else to be insured under the Policy, and if so, on what terms.

- **You do not have to tell us about any matter**

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

- **If you do not tell us**

If you do not comply with your Duty of Disclosure we may reduce or refuse to pay a claim or cancel your Policy. If your non-disclosure is fraudulent we may treat this Policy as never having worked.

Privacy

Privacy legislation regulates the way private sector organisations can collect, use, keep secure and disclose personal information. We are bound by the Privacy Act 1988 (Cth.), when collecting and handling your personal information. QBE has developed a privacy policy which explains what sort of personal information we hold about you and what we do with it.

We will only collect personal information from or about you for the purpose of assessing your application for insurance and administering your insurance policy, including any claims you make or claims made against you. We will only use and disclose your personal information for a purpose you would reasonably expect.

We may need to disclose personal information to our reinsurers (who may be located overseas), insurance intermediaries, insurance reference bureaux, credit reference agencies, our advisers and those involved in the claims handling process (including assessors, investigators and other insurers), for the purposes of assisting us and them in providing relevant services and products, or for the purposes of recovery or litigation. We may disclose personal information to people listed as co-insured on your policy and to family members or agents authorised by you. Computer systems and support services may be provided to us by related companies within the QBE Group that may be located overseas. We may also disclose information to organisations which conduct customer service surveys on our behalf. We will request your consent to any other purpose.

By providing your personal information to us, you consent to us making these disclosures. Without your personal information we may not be able to issue insurance cover to you or process your claim.

You also have the opportunity to find out what personal information we hold about you and, when necessary, correct any errors in this information. Generally we will do this without restriction or charge. For further information about our Privacy Policy or to access or correct your personal information, please contact The Compliance Manager, QBE Insurance (Australia) Limited, GPO Box 82 Sydney NSW 2001 or email: compliance.manager@qbe.com.

The General Insurance Code of Practice

QBE Insurance (Australia) Limited is a signatory to the General Insurance Code of Practice. The Code aims to:

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

Dispute resolution

We will do everything possible to provide a quality service to you. However, we recognise that occasionally there may be some aspect of our service or a decision we have made that you wish to query or draw to our attention.

We have a Complaints and Dispute Resolution Procedure which undertakes to provide an answer to your complaint within 15 working days.

If you would like to make a complaint or access our internal dispute resolution service please contact your nearest QBE office and ask to speak to a dispute resolution specialist.

If you are not happy with our answer, or we have taken more than 15 working days to respond, you may take your complaint to the Financial Ombudsman Service (FOS), an ASIC approved external dispute resolution body.

FOS resolves certain insurance disputes between consumers and insurers and will provide an independent review at no cost to you. QBE is bound by the determination of FOS but the determination is not binding on you.

We will provide the contact telephone number and address of the FOS office upon request.

Cooling-off information

If you want to return your insurance after your decision to buy it, you may cancel it and receive a full refund. To do this you may notify your Financial Services Provider electronically or in writing within 21 days from the date the Policy commenced.

This cooling-off right does not apply if you have made or are entitled to make a claim. Even after the cooling-off period ends, you still have cancellation rights however your Financial Services Provider may deduct certain amounts from any refund for administration costs or any non-refundable taxes.

POLICY TERMS AND CONDITIONS FOR FARM PACK – BUSINESS POLICY

Insurer

The Policy is underwritten by QBE Insurance (Australia) Limited, ABN 78 003 191 035, AFS Licence No. 239545 of 82 Pitt Street, Sydney.

Our agreement with you

This Policy is a legal contract between you and us. You pay us the premium, and we provide you with the cover you have chosen as set out in the Policy, occurring during the period of insurance shown on your Policy Schedule or any renewal period.

The excesses set out in the section headed 'What you must pay if you make a claim – Excess' apply to all claims except where otherwise stated. The amount of any excess that applies to your Policy will be shown on your Policy Schedule.

The exclusions in the section(s) headed 'When you are not covered' and conditions in the section headed 'General Conditions' apply to all types of cover.

Your Policy

Your Farm Pack – Business Policy consists of the Terms and Conditions in this booklet and the Policy Schedule we give you.

Please read your Policy carefully, and satisfy yourself that it provides the cover you require.

If you want more information about any part of your Policy, please ask us, or your Financial Services Provider.

The address and telephone number of your QBE branch are on your Policy Schedule.

You should keep your Policy Booklet and Policy Schedule together in a safe and convenient place for future reference.

Providing proof

So that your claim can be assessed quickly you should keep the following:

- receipts or other confirmation of purchase and valuations
- receipts or other confirmation of the purchase of your vehicle or any accessories
- all service and repair records.

We may ask you for these if you make a claim.

Other party's interests

You must tell us of the interests of all parties (e.g. financiers, owners, lessors) who will be covered by this insurance. We will protect their interests only if you have told us about them and we have noted them on your Policy Schedule.

How you can pay your premium

You can pay your premium:

- (a) in one annual payment by cash, cheque, credit card or EFTPOS, or
- (b) in monthly instalments by direct debit from your credit card or from your account with your financial institution.

Paying your annual premium

You must pay your annual premium by the due date. If we do not receive your premium by this date or your payment is dishonoured this Policy will not operate and there will be no cover.

Paying your instalment premium

If you are paying your premium for the first time by instalments we will deduct instalments each month on the day of the month that you nominate as your payment date.

If you are renewing your Policy and you paid your previous Policy by instalments, we will continue to deduct instalments for your renewed Policy on the day of the month you previously nominated as your payment date, unless you tell us otherwise.

If you have nominated the 29th, 30th or 31st of the month as your payment date, we will deduct your instalment payment on the next day if those dates do not occur in a month.

Details of your instalments are shown on your Policy Schedule.

If your first instalment of premium when you take out your Policy or renew it is dishonoured, this Policy will not operate and there will be no cover.

We will not pay a claim under this Policy if, at the time the claim occurred, any instalment of premium has remained unpaid for 14 days or more.

If any instalment of premium has remained unpaid for 1 month, we may cancel this Policy. We will send you a notice giving you details of the action we intend to take and when any cancellation will become effective.

We are entitled to deduct from any amount we pay you under a claim any unpaid premium or instalment of premium.

If you are paying your premium in instalments by direct debit from your credit card or financial institution account, you must tell us if those details change. You must do this no later than 7 days before your next instalment is due.

Preventing our right of recovery

If you have agreed not to seek compensation from another person who is liable to compensate you for any loss, damage or liability which is covered by this Policy, we will not cover you under this Policy for that loss, damage or liability.

How Goods and Services Tax affects any payments we make

The amount of premium payable by you for this Policy includes an amount on account of the GST on the premium.

When we pay a claim, your GST status will determine the maximum amount we pay.

When you are:

- (a) not registered for GST, or are otherwise not entitled to claim an Input tax Credit the maximum amount we pay is the sum insured or the other limits of insurance cover including GST, and the sum insured and other limits of insurance cover shown on your Policy documentation are inclusive of GST
- (b) registered for GST, we will pay the sum insured/limit of indemnity or the other limits of insurance and where you are liable to pay an amount for GST in respect of an acquisition relevant to your claim (such as services to repair a damaged item insured under the Policy) we will pay for the GST amount.

We will reduce the GST amount we pay by the amount of any input tax credits to which you are or would be entitled if you made a relevant acquisition.

In these circumstances, the Input Tax Credit may be claimable through your Business Activity Statement (BAS), and the sum insured and other limits of insurance cover shown on your Policy documentation are exclusive of GST.

You must advise us of your correct Australian Business Number & Taxable Percentage. Any GST liability arising from your incorrect advice is payable by you.

Where the settlement of your claim is less than the sum insured or the other limits of insurance cover, we will only pay an amount for GST (less your entitlement for Input Tax Credit) applicable to the settlement. This means that if these amounts are not sufficient to cover your loss, we will only pay the GST relating to our settlement of the claim.

We will (where relevant) pay you on your claim by reference to the GST exclusive amount of any supply made by any business of yours which is relevant to your claim.

GST, Input Tax Credit, Business Activity Statement (BAS) and Acquisition have the same meaning as given to those expressions in A New Tax System (Goods and Services Tax) Act 1999 and related legislation as amended from time to time.

Taxable Percentage is your entitlement to an Input Tax Credit on your premium as a percentage of the total GST on that premium.

Words with special meanings

Some key words and terms used in this Policy have a special meaning.

If words and terms are only used in just one Section of the Policy, we will describe their special meaning in that Section.

Wherever the following words or terms are used in the Policy, they mean what is set out below:

Word or Term	Meaning
Aircraft	any vessel, craft or thing made or intended to fly through or move through the atmosphere or space.
Dangerous goods	goods as defined by the Australian code for the transport of dangerous goods by rail and road, or: <ul style="list-style-type: none"> (a) any infectious substance, or (b) the following substances or materials in excess of the following quantities: <ul style="list-style-type: none"> • 1,000 litres of petroleum or substances having a closed cup flash point below 23 degrees Celsius, but in containers no greater than 250 litres • 5 kilograms of explosives • 100 kilograms of compressed gas • 500 litres in total of substances which are toxic chemicals, corrosive acids or corrosive alkalis • 500 litres (where a liquid) or 50 kilograms (where a solid) of substances which form explosive mixtures with organic and other oxidizing materials, or (c) any two or more substances mentioned in (b) above being carried on your vehicle at the same time if the quantity of any substance carried is more than half the quantity stated for each substance.
Family	<ul style="list-style-type: none"> (a) you and your spouse (legal or de facto), and children who normally live in your home, (b) your and your spouse's parents who normally live in your home.
Farm	the situation(s) shown in the Policy Schedule and comprising a single operating unit at which the farm business is conducted.
Farm buildings	includes tanks, stockyards, stock races and services attached to farm buildings, feed silos, fixed plant that forms part of any farm buildings and windmills. Farm buildings does not include fencing, power poles and the overhead wiring between the power poles.

Word or Term	Meaning
Farm business	all activities connected with the running of the business of the farm. Farm business does not mean contract farming but occasional contract farming is allowed where such contracting in any financial year contributes less than 20% when combined with the annual turnover of your farm business. Farm business does not include any activities carried out in or in connection with your home buildings.
Farm contents	all tools of trade, plant, and equipment and items which are used during the normal operation of the farm business owned by you or for which you are legally responsible. It includes fixed plant in the open air which is used in connection with the farm business. Farm contents does not include: <ul style="list-style-type: none"> (a) farm buildings (b) hay, growing plants, animals, birds or fish (c) mobile farm machinery, motor vehicles, motor cycles, any other vehicles and spare parts or accessories attached to them (d) aircraft or watercraft and their accessories (e) money, securities, documents, manuscripts (f) works of art, curios, antiques, pictures, or (g) home contents.
Farm produce	food and other products grown on the farm for commercial sale Farm produce does NOT include: <ul style="list-style-type: none"> (a) hay, growing plants, animals, birds or fish (b) oil or its derivatives (c) manufactured products or their containers including wine, flour or canned fruit, or (d) semen, embryos or their containers.
Farm property	collectively the items of farm buildings, farm contents, mobile farm machinery, farm produce, hay, fencing, power and telephone poles and wiring that you have chosen to insure Farm property does not include animals, birds or fish.
Fencing	all boundary and internal fencing at the farm
Flood	the covering of normally dry land by water escaping or released from the normal confines of a watercourse or lake, whether or not it is altered or modified. Flood also includes water escaping from the confines of any reservoir, channel, canal or dam.

Words with special meanings

Word or Term	Meaning
Fusion	the process of fusing or melting together of the windings of an electric motor following damage to their insulating material as a result of overheating caused by electric current.
Gross combination mass	the maximum allowed weight of your truck and trailer combination including the goods carried by that combination.
Gross vehicle mass	the maximum allowed weight of your vehicle and the goods it can carry
Hay	stooked, baled or rolled hay which you own.
Impact	a collision of two or more objects
Indemnity value	the cost necessary to replace, repair or rebuild the insured property to a condition substantially the same as but not better nor more extensive than its condition at the time of the loss or damage taking into consideration its age, condition and remaining useful life.
Market value	the cost to buy a vehicle or property of a similar type, age and condition to the damaged or destroyed items at the time of the loss or damage: (a) adjusted for any special features, and (b) having regard to used prices guides and any other relevant information, but excluding costs and charges for registration, stamp duty transfer and any dealer warranty costs.
Mobile farm machinery	tractors, headers, fruit pickers and other similar machines which are used solely for farming purposes. Mobile farm machinery also includes (where they are separately described in the Policy Schedule) trailers, ploughs and other implements drawn or intended to be drawn by any such machinery.
Occurrence	an event including continuous or repeated exposure to substantially the same conditions or repeated exposure to substantially the same general conditions which results in personal injury or property damage which you neither expected nor intended to happen.
Open air	outside a building and on the farm and includes: <ul style="list-style-type: none"> • non lockable structures, and non lockable parts of the home buildings or farm buildings, or • in or on a motor vehicle, motor cycle, trailer, caravan or tent, whether they are locked or not.

Word or Term	Meaning
Period of insurance	the dates and times between which we insure you. It is shown in the Policy Schedule.
Policy	includes this Policy wording, the Policy Schedule and any future documents issued to you which amend the Policy wording or Policy Schedule.
Policy Schedule	the schedule of insurance, or any endorsement schedule we give you.
Rainwater	rain falling naturally from the sky including rainwater run-off over the surface of the land. Rainwater does not mean Flood.
Replacement cost	(a) the reasonable and necessary cost of rebuilding, replacing or repairing any lost or damaged property or item to a condition substantially the same as but not better nor more extensive than its condition when new, or (b) at our option, the actual reinstatement, replacement or repair of that property or item.
Storm	violent wind (including cyclones, tornadoes) thunderstorms or hailstorms which may be accompanied by snow or rain.
Temporary removal or temporarily removed	to remove items from the farm and return them before 90 days expires. Items removed permanently from the Farm for any period are not temporarily removed.
Tools of trade	tools or machines that are used or have been used in the past twelve months for any income earning activity or pursuit.
Tsunami	a sea wave caused by a disturbance of the ocean floor or by seismic movement.
Unoccupied farm	farm without a permanent resident.
Watercraft	any vessel, craft or anything made or intended to float on or in or travel through the water.
We, our, us	QBE Insurance (Australia) Limited, ABN 78 003 191 035.
You, your	the persons and entities who are named in the Policy Schedule as the Insured. If home buildings, home contents and/or valuables are insured by this Policy. For the purpose of those Sections, you/your also includes your family.

Types of cover

This Policy offers you a choice of cover. You can choose any or all of the following:

Section B1: Farm property

Section B2: Motor vehicle

Section B3: Farm liability

Section B4: Livestock and working dogs

Section B5: Machinery breakdown

Section B6: Electronic equipment

Section B7: General property

Section B8: Transit

Section B9: Theft

Section B10: Business interruption

The types of cover you have chosen will be shown on your Policy Schedule.

Section B1: Farm Property

If you have chosen this cover it will be shown on your Policy Schedule.

This section of the Policy insures your farm property against loss or damage caused by certain insured events. It also provides some additional benefits such as the cost of:

- extinguishing fires
- neighbours' fire fighting equipment
- legal costs of discharging your mortgage if a claim is settled for a total loss
- farm planning
- rewriting records
- overtime rates, and
- the cost of finding the source of damage.

We only cover farm property that you have asked us to insure on your application. Be sure that you include details of all farm property that you want to insure on the application – or contact us at any time if you want to add other farm property.

What we insure

This section insures:

- (a) loss or damage to the items of farm property that you have chosen to insure
- (b) which is caused by any of the insured events listed in this Section (unless the cover is limited to one or more insured event)
- (c) during the period of insurance.

Mobile machines are only insured for loss or damage caused by the insured events of fire and vandalism, except as provided for under the storm or rainwater insured event.

The items of farm property that you have chosen to insure are shown in the Policy Schedule.

What we will pay

We will pay the amounts that are shown below:

Loss or damage at the farm

For loss or damage that occurs at the farm (including farm property temporarily removed from the farm)

- (a) for farm contents that are less than 10 years of age, farm buildings, fencing and power and telephone poles and wiring, we will pay the replacement cost or the indemnity value, depending on which you have selected

(see 'conditions which apply to this section' if you have chosen to insure your farm buildings for replacement cost.)

- (b) for farm contents that are more than 10 years of age, farm produce and hay we will pay the indemnity value
- (c) for mobile farm machinery, we will pay the market value
- (d) for the cost of removal, disposal, cleaning up or storage of debris or demolition, dismantling, shoring up or any temporary repairs to any item of farm property: we will pay up to 10% of the sum insured for the damaged item
- (e) for the cost of surveying, legal and other fees incurred in repairing or reinstating a farm building: we will pay up to 10% of the sum insured applicable to the damaged farm building
- (f) for the cost of temporary protection of any damaged farm building until it is repaired or reinstated, we will pay a maximum of 10% of the sum insured applicable to the damaged farm building
- (g) for fencing, we will pay the cost of the materials which are lost or damaged and the cost of labour required to repair or replace the fencing. We will not pay the cost of labour when material only cover is selected.

Floor space ratio index (plot ratio)

If reinstatement of damage to any farm building is limited or restricted by any legislation or delegated legislation in a manner that results in the reduction of the floor space ratio index (plot ratio) of the site, then in addition to any amount payable on reinstatement of that farm building, we will pay the difference between:

- (a) the actual costs incurred in reinstating the farm buildings to the lower floor space ratio index (plot ratio), and
- (b) the estimated cost of reinstatement at the time of the damage if the floor space ratio index (plot ratio) had not been reduced.

We will not pay any more than the sum insured for the farm building.

Temporary repairs

We will pay the cost of temporary repairs for the purpose of securing the farm buildings and safeguarding farm property from further loss.

Damage during alterations and additions

If loss or damage occurs to any farm building while you are undertaking any alterations or additions to it which cost less than \$50,000, we will pay up to the cost of those alterations or additions even if you have not told us about the alterations or additions.

You must tell us when the alterations and additions are completed, we will then increase the sum insured for that farm building and you must pay us an additional premium.

If the alterations or additions cost more than \$50,000, we do not cover the farm building concerned while they are taking place. To obtain cover for the farm building you must tell us about the alterations or additions before they commence. We will then increase the sum insured for that farm building and you must pay us an additional premium.

In any event we will not pay for damage caused by storm, rainwater, water damage, theft or vandalism which occurs during repair, renovation or alteration to the external walls or roofing of the farm buildings unless you obtain our written agreement to cover these risks before the building work commences.

Loss or damage during temporary removal

For loss or damage to any item of farm contents, mobile farm machinery or fixtures and fittings of farm buildings while it is temporarily removed to anywhere in Australia other than the farm, including during transit by road, rail or inland waterways:

- (a) for farm contents: we will pay up to 20% of the farm contents sum insured,
- (b) for mobile farm machinery: we will pay the indemnity value of the item which has been temporarily removed
- (c) for fixtures and fittings of farm buildings: we will pay up to 10% of the sum insured for the farm building from which they have been removed.

We will not pay any amount for:

- (a) any item which has been removed from the farm for more than 90 days, or
- (b) water damage to any item while it is in the open air.

Unspecified structures

If you have chosen to insure unspecified structures, for loss or damage to any structure on the farm (other than a domestic structure) which you have not specifically insured: we will pay up to \$5,000 for loss or damage caused by an insured event to any one structure or a maximum of \$20,000 in total in any one Period of Insurance.

Unspecified mobile farm machinery

If you have chosen to insure unspecified mobile farm machinery, for damage caused by fire or vandalism to any mobile farm machinery which you have not specifically insured, we will pay up to \$2,000 for damage to any one machine caused by or arising from fire or vandalism.

We will not pay more than the sum insured for all unspecified mobile farm machinery which is shown in the Policy Schedule.

Replanting trees

If trees on the farm are damaged by fire, for the cost of removing damaged trees, ground preparation and planting of seedlings:

- (a) we will pay up to \$1,000 automatically, but
- (b) if you elect to insure farm trees for more than \$1,000, we will pay up to the sum insured for farm trees in the Policy Schedule.

This cover only applies to damage to farm trees by fire.

Miscellaneous items

If you have chosen to insure the following items, we will pay the Indemnity Value in respect of loss or damage to:

- (a) hay while it is stacked, baled, rolled or stooked
- (b) grain while it is in storage on the farm, or
- (c) wool between the time it is shorn to the time you cease to own it.

Additional benefits

We will pay the following amounts in addition to the sums insured which are shown in the Policy Schedule.

Fire fighting

We will pay up to \$7,500 for all costs incurred for:

- (a) extinguishing fire at, near, or threatening to spread to the farm
- (b) preventing or lessening the effect of any such fire
- (c) gaining access to the farm after the fire has occurred, or
- (d) replenishing fire fighting equipment.

Discharge of mortgage legal costs

We will pay the legal costs incurred by you to discharge any mortgage if your farm building is an actual or constructive total loss.

Farm planning

We will pay up to \$3,000 for the cost of farm planning, (should it be required) when more than 25% of your fencing is damaged as a result of any insured event for which fencing is insured.

We will not pay any amount under this clause if you have not insured fencing under this section.

Rewriting of records

We will pay up to \$2,000 for the clerical cost you expend in rewriting documents other than computer records as a result of destruction caused by any insured event.

We will not pay any amount if your documents or computer records are insured under the 'Electronic equipment' section of this Policy.

Overtime rates

If it is necessary to carry out repair or reinstatement work at overtime rates or on public holidays, we will pay the reasonable extra charges for that work.

This includes express freight within Australia (by a scheduled air or road carrier), for up to 50% in excess of the usual cost of that express freight.

Search and find

We will pay up to \$5,000 for the reasonable costs of locating the source of loss or damage caused by bursting or leaking of any water mains, pipes, gutters, drains, tanks or fixed apparatus used to hold or carry water.

Neighbours' fire fighting equipment

We will pay up to \$5,000 to replenish fire fighting equipment or for the Indemnity Value of fire fighting equipment belonging to your neighbours which is damaged while fighting a fire on your Farm.

Employees' belongings

We will pay up to \$3,000 each event for loss or damage to any tools, equipment, personal effects or clothing belonging to your employees as a result of any Insured Event.

The maximum amount we will pay

Unless we specifically agree to pay an amount in addition to the sum insured, we will not pay any more under this section than the lesser of the replacement cost or indemnity value (whichever is applicable) and the sum insured for each item of farm property.

This does not apply to any of the additional benefits listed above.

Even if the replacement cost applies, we will not pay any greater amount than we would have paid if you had chosen the indemnity basis until you incur costs which are equal to the replacement cost of the damaged item(s).

Farm property temporarily removed

Where farm property is temporarily removed from the farm, we will not pay more than:

- (a) for farm contents – the farm contents sum insured
- (b) for fixtures and fittings of farm buildings – 20% of the sum insured for the farm building from which they have been removed.

Biohazard

This additional benefit covers you in respect of costs incurred by you in complying with the order of any government authority acting to eradicate, prevent or contain the spread of any exotic (not endemic) disease affecting animals, poultry or plants on your farm.

For the purpose of this additional benefit:

“Exotic disease” means a disease originating in a country outside Australia as determined by the Australian Government Department of Agriculture, Fisheries and Forestry or any other government agency with similar delegated authority which exists from time to time.

“Endemic disease” means a disease that is normally present within Australia.

What we will pay

We do not pay more than \$10,000 for any one occurrence, and \$20,000 in any one period of insurance

Conditions applying to this additional benefit:

- the outbreak must not originate at your farm or any other premises owned or operated by you or your family
- the outbreak must be sudden, unforeseen and identifiable
- the outbreak must originate at a location no more than 100KM from your farm.

- cover is restricted to additional costs incurred in complying with the order and does not include loss of income

Exclusions applying to this additional benefit:

We do not pay for any costs incurred in relation to the eradication of, or prevention or containment of the spread of:

- any endemic disease affecting animals, poultry or plants
- any weed infestation, plague of pests or feral animals
- any other condition not determined by the Australian Government Department of Agriculture, Fisheries and Forestry, or any other government agency with similar delegated authority which exists from time to time, to be an exotic disease affecting animals, poultry or plants.

We do not pay for:

- any consequential loss
- any expenses recoverable by you from any Government or other properly constituted authority.

Excess

For each claim you make under this section of the Policy you will have to pay an excess. The amount of the excess is shown on the Policy Schedule

You must pay an excess of:

- (a) \$100 for each claim for loss of damage caused by vandalism
- (b) \$200 for each claim for loss or damage to farm property by earthquake during any period of 48 consecutive hours commencing from the time damage is first sustained.

Insured Events which apply to this section

The left column of this table lists the insured events against which we cover the farm property you have chosen to insure under this section. We will not pay for the loss or damage described in the right column of this table (or any loss or damage which is otherwise excluded under this section or the Policy).

Insured Events	What we will not pay for
Loss or Damage caused by: <ul style="list-style-type: none"> • Fire or explosion 	Loss or damage to farm property caused by: <ul style="list-style-type: none"> • the deliberate application of heat • scorching, melting or charring unless by a visible flame.
<ul style="list-style-type: none"> • Lightning or thunderbolt 	Loss or damage caused by fluctuations in the power supply unless there is evidence of a lightning strike.
<ul style="list-style-type: none"> • Explosion or collapse of boilers, economisers or pressure vessels or their equipment and contents 	Damage to boilers, economisers or pressure vessels or their equipment or contents where a certificate is required to be issued under the terms of any statute or regulations.
<ul style="list-style-type: none"> • Earthquake. All destruction or damage occurring within a period of 48 hours of the earthquake is regarded as the one insured event 	The first \$200 of each and every claim.
<ul style="list-style-type: none"> • Bursting, leaking, discharging or overflowing of fixed basins, shower bases, or other fixed apparatus, fixed tanks or fixed pipes used to hold or carry liquid of any kind 	Loss or damage which: <ul style="list-style-type: none"> • occurs gradually over time • results from water escaping from a shower base not fitted with a tray or water proof membrane • is caused by the porous condition of any tiles, grouting, or sealant. Repair or replacement of the apparatus, tank or pipe itself.
<ul style="list-style-type: none"> • Accidental breakage of fixed glass in farm buildings 	Breakage of glass in any glasshouse or greenhouse.
<ul style="list-style-type: none"> • Riot or civil commotion 	
<ul style="list-style-type: none"> • Vandalism 	Loss or damage intentionally caused by: <ul style="list-style-type: none"> • you, your family or your family's visitors • a tenant, or tenant's visitors • any person at the farm with your consent or the consent of a person living at the farm. Loss or theft of or damage to trees on the farm.
Impact by: <ul style="list-style-type: none"> • a vehicle, an aircraft or a watercraft • space debris or debris from an aircraft • an animal • a falling tree or part of a tree • a mast or a television or radio aerial that has broken or collapsed. 	Loss or damage to farm property caused by: <ul style="list-style-type: none"> • an animal kept on the farm • felling or lopping trees on the farm • rodents, vermin, birds or insects gnawing, chewing, pecking, clawing, scratching, or in any way polluting or contaminating your farm property. • a falling tree or branch to fencing or mobile farm machinery or other vehicle.
<ul style="list-style-type: none"> • Storm or Rainwater 	Loss or damage caused by: <ul style="list-style-type: none"> • storm, rainwater or wind to trees, shrubs or plants • action of the sea, high water, tidal wave, tsunami • flood • erosion, subsidence, landslide, mud slide, shrinkage or an earth movement other than earthquake • water seeping through a wall or floor • mildew, algae • atmospheric or climate conditions other than storm or • water entering into any building as a result of structural defects, faulty design or faulty workmanship.

Insured Events	What we will not pay for
<ul style="list-style-type: none"> Storm or Rainwater (continued) 	<p>Loss or damage to:</p> <ul style="list-style-type: none"> fencing hay, mobile farm machinery or other vehicle unless it is in an enclosed building farm property in the open air unless it forms part of a permanent structure designed to function without the protection of walls or roof retaining walls, or signs mechanical or moving parts of windmills water entering the farm buildings through an opening made for the purpose of alterations, additions, renovation or repair greenhouses, shade structures, hail nets or shade cloth.
<ul style="list-style-type: none"> Action of a civil authority in attempting to prevent the spread of a fire. 	
<ul style="list-style-type: none"> Loss of or damage to farm buildings or farm contents caused by any accident. <p>For the purpose of this insured event, 'accident' means an event that is sudden, unintended, and unforeseen. The maximum we will pay is \$20,000 or the sum insured shown in your Policy Schedule for the lost or damaged item, whichever is the lesser</p>	<p>Loss or damage caused by:</p> <ul style="list-style-type: none"> any of the insured events above or by any event or circumstance excluded by them theft or any attempt thereat or armed hold-up fraudulent or dishonest acts by your employees wear and tear, fading, scratching or marring, gradual deterioration or developing flaws, normal upkeep or making good, testing, intentional overloading, experiments of any kind the action of birds, moths, termites or other insects, vermin, rust or oxidation, mildew, mould, wet or dry rot, corrosion, change of colour, dampness of atmosphere or other variations in temperature, evaporation, disease, inherent vice or latent defect, loss of weight, change in flavour, texture or finish error or omission in design, plan or specification or failure of design faulty materials or faulty workmanship any order of any government, public or local authority including the confiscation, nationalisation, requisition, repossession of or damage to any property incorrect siting of buildings as a result of incorrect design or specification unexplained inventory shortage, unexplained disappearance, disappearance resulting from clerical or accounting errors or shortage in the supply or delivery of materials to or from you consequential loss of any kind machinery breakdown, electrical or electronic breakdown, boiler or pressure vessel explosion or implosion computer virus any person deliberately switching off or disconnecting the power supply. <p>We will not cover loss or damage to:</p> <ul style="list-style-type: none"> shrubs or pot plants live animals, birds or fish or any other living creature any property in transit glass property during the course of, and as a result of, its processing alterations and additions to buildings.

Exclusions which apply to this section

We will not pay any claim which arises directly or indirectly out of:

1. consequential loss of any kind
2. wear, tear, depreciation, deterioration, atmospheric conditions, mould, mildew, insects, vermin, action of light, rot, inherent defect
3. any process of cleaning, repairing, restoring, alteration or renovation
4. loss or damage which is caused by failure to maintain your farm property in a good state of repair and you knew or should have been reasonably aware of the need to rectify the problem which caused the loss or damage.

We will not pay for any loss or damage to animals, birds or fish.

Conditions which apply to this section

There are also general conditions that apply to all sections of this Policy.

If you have selected the replacement cost, then the following conditions apply:

Additional cost of reinstatement

In addition to the replacement cost, we will also pay any additional costs you incur in reinstating the farm buildings to comply with any legislative requirements. However:

- (a) this does not include the costs of complying with any requirement imposed on you before the insured event occurred, and
- (b) these additional costs will not be subject to any adjustment for underinsurance
- (c) we will not pay more than the sum insured shown in the Policy Schedule.

If the cost of repair or reinstatement of the damage is less than 50% of the cost of replacement of the whole of the farm building which is damaged, notwithstanding the following clause, we will only pay the additional cost of complying with the legislative requirements which are directly attributable to the damaged portion.

Commencement of work

You must start the work required to repair, or reinstate the farm property within 6 months unless we agree otherwise. If you do not, we will only pay the costs that would have been incurred had the work started at the time it should reasonably have been started.

Underinsurance

If the sum insured for fencing insured under this section is less than 80% of its value under the basis of settlement which applies to it, then you will be your own insurer for the difference between the sum insured and the applicable value. This means you will bear a rateable proportion of each claim.

This clause will not apply:

- (a) if the amount of the loss does not exceed 10% of the sum insured for the item of property which is lost or damaged
- (b) to any payment made for the additional benefits insured by this section, or

Section B2: Motor Vehicle

This section covers your motor vehicles, caravans, cycles and trailers that you choose to insure. If you choose to insure them, they will be listed in the Policy Schedule. We offer you four choices of cover:

- | | |
|---------|---|
| Cover 1 | Comprehensive – accidental damage of any kind to your insured vehicle, and third party property damage. |
| Cover 2 | Third party property damage – damage you cause to other people's property using your vehicle. |
| Cover 3 | Third party, fire and theft – loss or damage to your vehicle caused by fire or theft and third party property damage. |
| Cover 4 | Own damage – accidental damage of any kind to your insured vehicle. |

If you have chosen to cover your motor vehicle, cycle, caravan or trailers the type of cover you have chosen will be shown on your Policy Schedule.

What we insure

Under this section, we insure:

- (a) any motor vehicle, cycle, caravan or trailer
- (b) which is owned by you and is listed in the Policy Schedule
- (c) for the type of cover you have chosen
- (d) anywhere in Australia (unless the Policy Schedule limits the radius from the farm in which they are insured while in use)
- (e) during the period of insurance.

The motor vehicles, cycles, caravans and trailers that you have chosen to insure are shown in the Policy Schedule.

Definitions which apply to this section

'Motor vehicle' means any type of machine on wheels or self-laid tracks which is intended to be self propelled by other than human or animal power or item of mobile farm machinery that you have chosen, and

- (a) its standard accessories, tools and spare parts
- (b) driving lights, roof racks, tow bars, bull bars, gates, tarpaulins and chains attached to or within your vehicle
- (c) other tools and spare parts for your vehicle while in or on your vehicle up to \$250 in total
- (d) fitted baby seat or capsule
- (e) A cellular car telephone kit (excluding telephone) or two-way radio
- (f) any other accessories which you have told us about and we have agreed to insure.

'Motor vehicle' does not mean any:

- sedan, station wagon or similar vehicle
- goods carrying vehicle up to 2 tonnes carrying capacity
- motor cycle

designed to carry a passenger or passengers.

(These vehicles can be insured under a Farm Pack – Personal Policy).

'Cycle' means any motor cycle that you have chosen to insure including while fitted to it, standard accessories, tools and spare parts, and those which you have told us about and we have agreed to insure.

'Caravan' means any caravan that you have chosen to insure which is:

- (a) registered for use on public roads
- (b) not a permanent caravan or mobile home.

'Caravan' does not include an annexe or personal belongings unless you have told us about them and we have agreed to insure them.

'Dangerous goods' means goods as defined by the Australian Code for the Transport of Dangerous Goods by Road and Rail or

- (a) any infectious substance, or
- (b) the following substances or materials in excess of the following quantities:
 - 1,000 litres of petroleum or substances having a closed cup flash point below 23 degrees Celsius
 - 5 kilograms of explosives
 - 100 kilograms of compressed gas
 - 500 litres in total of substances which are toxic chemicals corrosive acids or corrosive alkalis
 - 500 litres (where a liquid) or 50 kilograms (where a solid) of substances which form explosive mixtures with organic and other readily oxidisable materials, or
- (c) any two (2) or more substances mentioned in (b) above being carried on your vehicle at the same time if the quantity of any substance carried is more than half the quantity stated above for each substance.

'Insured vehicles' means all the Motor Vehicles, Caravans, Cycles and Trailers that you have chosen to insure. They will be listed in the Policy Schedule.

'Third party property damage' means your legal liability for any damage you cause to other people's property resulting from the use of your insured vehicle.

'Total loss' means an insured vehicle:

- (a) where the cost to repair the vehicle plus the value of any salvage (if applicable) exceeds the lesser of the 'market value' or 'sum insured', or
- (b) which is stolen and not recovered within a reasonable period of time as determined by us.

'Trailer' means a wheeled trailer that you have chosen to insure which is registered for use on public roads.

'Trailer' does not mean any kind of 'Caravan'.

Cover options

You may choose one of four types of cover for each insured vehicle. These are:

Cover 1 – Comprehensive

This insures you for:

- (a) accidental damage to, or theft of the insured vehicle, and
- (b) third party property damage.

Cover 2 – Third party property damage only

This insures your legal liability for damage you cause to other people's property.

Cover 3 – Third party, fire and theft

This insures you for:

- (a) loss of or damage to the insured vehicle caused by or arising from fire, explosion, lightning, theft or any attempt at theft, and
- (b) Third party property damage.

Cover 4 – Own damage

This insures you for accidental damage to, or theft of the insured vehicle only. It does not insure you for third party property damage or personal injury.

In some circumstances cover for third party property damage or personal injury is available under the Farm Liability section of this Policy.

How much we will pay

Cover 1 – Comprehensive

If you have chosen comprehensive cover, we will pay the amounts that are shown below:

- (a) third party property damage

We will provide the same cover as is set out for cover 2 – third party property damage (other than the cover for uninsured third party vehicles).

- (b) accidental damage including theft

For accidental damage to or theft of your insured vehicle:

- (i) if it is economical to repair the damage, we will pay the cost of repair
- (ii) if it is not economical to repair the damage or your insured vehicle is not recovered following theft, we will pay the lesser of the market value and the sum insured for the insured vehicle.

We will determine how much we will pay after we have assessed the damage

- (iii) if your damaged vehicle is a total loss:

- We will settle the claim on the basis of market value or sum insured depending on the cover shown on the Policy Schedule

- We will at our option:
 - replace your vehicle with an equivalent vehicle or pay you its market value or sum insured, whichever is the lesser, at the time of the total loss, and
 - replace all insured accessories or pay you the cost to replace them as new less depreciation.

(iv) if your damaged vehicle is NOT a total loss:

- We will repair it to a similar condition to that which it was in before the loss or damage.
- If it is necessary to repair to a better condition than it was in before the loss or damage, then we may ask you to contribute the additional amount to repair it to the better condition.
- If you have insured any accessories we will either repair them or pay for the cost to replace them as new, less an amount for depreciation, wear and tear.
- We are entitled to replace damaged parts with new or used parts of similar age and condition to those being replaced.

Lifetime repair guarantee

If we authorise repairs to your vehicle, we will guarantee the quality of the repairs for any defect due to faulty workmanship or faulty material for the life of your vehicle. For entitlement to any repairs under this guarantee you must first allow us to inspect the vehicle and we must agree that repairs are necessary.

(c) New motor vehicle replacement

In the event of your insured vehicle being classed as a total loss, we will at our option replace it with a new vehicle of the same or similar make and model as long as it is available in Australia, provided

- the period from the date of original registration as a new motor vehicle to the date of the loss did not exceed 12 months, and
- your vehicle was
 - a truck not greater than 5 tonnes carrying capacity or not greater than 7500 kgs gross vehicle mass, or
 - a caravan
 - a minibus with a carrying capacity of not greater than 15 persons, and
- we obtain the written agreement of any other party with a financial interest in the motor vehicle

If a new replacement vehicle is not available, we will replace your vehicle with the nearest equivalent vehicle available, so long as it is available in Australia. If we cannot agree on a replacement vehicle, we will pay you the amount it would cost to buy a new vehicle the same as, or a near equivalent of, the vehicle which needs replacing.

If the Excess is applicable it is payable to us before we replace your vehicle.

We also pay the registration, stamp duty and dealer charges on the new vehicle but any refund of registration fees or stamp duty applicable must be refunded to us.

(d) Automatic cover – trailer

In addition to the sum insured, we will pay the lesser of its market value or \$1,000 for damage to any box trailer you own which is not more specifically insured under this section if it is damaged while it is attached to your insured vehicle.

(e) Protection and removal costs

In addition to the sum insured, after an accident or theft involving your insured vehicle, we will pay the reasonable and necessary cost of:

- protecting the insured vehicle
- emergency repairs that are necessary to allow you to continue your journey (up to a maximum of \$500)
- removing the insured vehicle to the nearest repairer or place of safety
- re-delivery of the insured vehicle to you from those premises following repair
- cleaning up and removal of debris arising from the site of an accident (up to a maximum of \$10,000).

(f) Travelling, accommodation and expenses

We will pay up to \$1,000 for any reasonable additional travelling and accommodation expenses incurred by you and your family resulting from a claim we accept under this section, as long as at the time of accident or theft, your insured vehicle was more than 200 km from the farm.

We will pay if you had intended to pay for overnight accommodation in any event.

(g) Signwriting

In addition to the sum insured, if your insured vehicle carries signwriting which is lost or damaged in an accident, we will pay the reasonable cost of replacing the signwriting up to a maximum of \$2,000.

If your insured vehicle is a total loss, then we will pay for the replacement of the signwriting on any replacement motor vehicle you purchase.

(h) Caravan annexe

If you have chosen to insure your caravan annexe, then we will pay for loss or damage to the annexe caused by:

- fire
- theft
- overturning, accidental collision or impact of your caravan or the vehicle to which it is attached, or
- storm, unless the annexe is made of canvas and is more than 5 years of age.

(i) Theft of personal belongings following an accident:

(i) personal belongings in a vehicle other than a caravan

If following a collision with another vehicle or theft of your insured vehicle, any of your personal property in your vehicle at the time is stolen, we will pay for the loss of such personal property.

We will pay you the indemnity value of the property stolen, that is the new replacement cost of any item in Australia less an allowance for age, wear, tear and depreciation.

There is NO cover:

- if the vehicle is only broken into while parked
- for money, cheques or negotiables
- for unset gemstones, gold or silver nuggets
- for pets or any living animal, bird or fish
- tools of trade, stock or samples, or
- for mobile phones or two way radios for which there is a fitting installed in the vehicle.

In this clause, personal property means private household or personal possessions belonging to you or any member of your family who normally live with you.

The maximum amount we will pay is \$300 for any one event.

(ii) personal belongings in a caravan

If you have chosen to insure your personal belongings used in connection with your caravan, we will pay for loss or damage to your personal belongings caused by:

- fire
- theft following forcible entry
- overturning, accidental collision or impact of your caravan, the vehicle to which it is attached, or
- storm.

We will pay you the indemnity value of the property lost, damaged or stolen, that is the new replacement cost of any item in Australia less an allowance for age, wear, tear and depreciation

We will not pay any amount if your personal belongings are insured under the home buildings and home contents section or the valuables section of this Policy.

(j) automatic 21 day replacement cover

If you dispose of your insured vehicle and replace it within seven days with a similar vehicle, then provided the replacement vehicle is worth less than \$100,000, we will automatically insure it under the same cover for 21 days from the date you acquire it.

If you want to insure the replacement vehicle after this time, you must ask us to do so within the 21 days. You must pay us any premium we require. We may alter the excess.

(k) hire car costs following theft

If your vehicle is stolen, and such theft is covered under this Policy, we will reimburse you for the reasonable cost of hiring a similar vehicle providing you first obtain our approval, but:

- we will not pay for hiring charges incurred after your vehicle is found

- we will not pay for fuel or other running costs
- cover is limited to a total period of 14 days, or 7 weekends
- cover stops once we pay the claim.

The maximum amount we will pay is \$1,000 for any one event.

Cover 2 – Third Party Property Damage

(a) If you have chosen third party property damage cover, we will pay the amounts that are shown below:

(i) accidental property damage

For each accident we will pay:

The amount you (or any person you have allowed to drive, use or be in charge of your insured vehicle), may be held legally liable to pay for accidental damage to property belonging to other people caused by or arising out of:

- the use of your insured vehicle or goods falling from the insured vehicle
- the operation of loading and unloading your insured vehicle but not the collection or delivery of the load to or from your insured vehicle
- the transportation of dangerous goods. The maximum amount we will pay under this clause is \$500,000
- pollution or contamination of buildings or other structures, water, land or the atmosphere. The maximum amount we will pay under this clause is \$500,000
- any person who is driving, using or in charge of your insured vehicle with your permission as if they were you and provided they are not entitled to indemnity under any Policy or statute and provided such cover is not otherwise excluded.

(ii) substitute vehicle, cycle, caravan or trailer

if your insured vehicle is disabled and you are using a substitute which does not belong to you, we will pay all sums you are legally liable to pay another person for damage to their property which is accidentally caused by the use of the substitute, provided that:

- you are only using one substitute motor vehicle, cycle, caravan or trailer at the time,
- the substitute vehicle is not already covered under another insurance Policy,
- the substitute is of a similar type to the disabled insured vehicle, and
- the substitute vehicle is not owned by you.

(iii) Compulsory Third Party Insurance gap

we will pay the amount which you or any person driving using or in charge of your insured vehicle with your permission may be held legally liable to pay by way of compensation or damages for death of or bodily injury to persons arising out of the use of your insured vehicle.

We will not cover legal liability for death or bodily injury to:

- you or any person driving or in charge of your insured vehicle
- an employee of yours or who is deemed by any law to be your employee arising out of their employment with you.

We will not pay if:

- (a) your insured vehicle is not registered.
- (b) you or any person using your insured vehicle
 - is wholly or partly covered under any compulsory statutory insurance scheme or accident compensation scheme, or
 - would have been entitled to be covered under any such scheme as it existed at the commencement date of the period of insurance, even though there may have been a change in the law during that period of insurance, or
 - would have been entitled to be covered under any such scheme if it were not for the application of any excess or deductible applying under the scheme, or
 - would have been entitled to be covered under any such scheme had cover not been refused because you did not:
 - register your insured vehicle
 - apply for cover under the scheme
 - comply with a term or condition of the scheme.
- (c) if your vehicle is registered in the Northern Territory of Australia.

(iv) uninsured trailer

We will also pay all sums you are legally liable to pay another person for damage to their property which is accidentally caused by the use of any trailer being towed by a motor vehicle, provided that:

- the towage was not for reward
- only one trailer is being towed at the time of the accident.

We will not pay for any damage to the uninsured trailer or anything on or in it.

(v) your employer's or principal's liability

We will pay the amount your employer, principal or partner may be held legally liable to pay for accidental damage to property belonging to other people as a result of an accident while you are using your insured vehicle on business as long as it is not a use that is excluded by this section under cover 2.

(vi) uninsured third party

In addition to the sum insured for this section, we will pay up to \$5,000 for damage to any insured vehicle which is a sedan, station sedan, panel van or utility as a result of an accident which is solely the fault of the driver of another vehicle, who is not insured for the damage to your vehicle.

We will only pay if you can supply the name and address of the other driver.

(b) Limit of liability

The maximum amount we will pay for the total of all claims arising from a single accident or series of accidents with the same original cause is the limit of liability shown in the Policy Schedule.

We will pay your legal costs and expenses in defending or settling claims if you have our agreement in writing. We pay this in addition to the amount payable under this Cover 2.

Cover 3 – Third party fire and theft

If you have chosen third party fire and theft cover, we will pay the amounts that are shown below:

(a) third party property damage

we will provide the same cover as is set out for Cover 2 – Third party property damage.

(b) your motor vehicle

we will pay for loss or damage to your insured vehicle caused by or arising from fire, theft or attempted theft as follows:

- if it is economical to repair the damage, we will pay the cost of repair
- if it is not economical to repair the damage or your insured vehicle is not recovered following theft, we will pay the lesser of the market value and the sum insured for the insured vehicle.

we will determine how much we will pay after we have assessed the damage.

(c) stolen insured vehicle

if your insured vehicle is stolen, we will, at our option:

- supply a temporary replacement vehicle for up to fourteen days, or
- pay the reasonable cost of hiring a replacement vehicle of a similar type (subject to local availability) until you obtain a replacement vehicle or your insured vehicle is returned to you after repair for up to 14 days hire or a maximum amount of \$1,000.

Cover 4 – Own vehicle

If you have chosen own vehicle cover, we will pay the amounts that are shown below:

(a) accidental damage including theft

for accidental damage to or theft of your insured vehicle:

- if it is economical to repair the damage, we will pay the cost of repair
- if it is not economical to repair the damage or your insured vehicle is not recovered following theft, we will pay the lesser of the market value and the sum insured for the insured vehicle.

We will determine how much we will pay after we have assessed the damage.

- (b) protection and removal costs
- after an accident or theft involving your insured vehicle, we will pay the reasonable and necessary cost of:
- protecting the insured vehicle
 - emergency repairs that are necessary to allow you to continue your journey (up to a maximum of \$500)
 - removing the insured vehicle to the nearest repairer or place of safety
 - re-delivery of the insured vehicle to you from those premises following repair
 - cleaning up and removal of debris arising from the site of an accident (up to a maximum of \$10,000).

The maximum amount we will pay

Unless we specifically agree to pay an amount in addition to the sum insured, we will not pay any more than the sum(s) insured set out in the Policy Schedule for each of the items which are insured by this section, other than for dangerous goods or pollution insured under cover 2 and 3.

We will pay up to \$500,000 for loss, damage or liability arising out of:

- (a) the carriage or loading and unloading of dangerous goods
- (b) pollution or contamination of buildings or other structures, water, land or the atmosphere.

Excess

You must pay any excess shown in the Policy Schedule for this section for each claim made under this section. You may have to contribute more than one excess in respect of the one claim. The excesses are shown in the Policy Schedule and are explained below:

Standard excess

This applies to all claims for loss or damage to your insured vehicle.

Only the standard excess will apply to claims for breakage of the windscreen or other window glass in your insured vehicle if no other damage has occurred.

Tipping excess

If any rigid body tipper or tipping trailer covered under this section is involved in an event giving rise to a claim while the tipping hoist is partially or fully extended, the standard excess as stated on the Policy Schedule in addition to any other excesses that may be applicable will be increased by 100%.

Driver experience excesses

These are payable in addition to the standard excess. They apply if the person using your insured vehicle at the time of the event is:

- (a) under the age of 21 years, or
- (b) 21 years of age or over but under the age of 25, or
- (c) 25 years of age or over and has held a licence to drive the motor vehicle for less than two years.

If more than one driver experience excess applies, then those excesses will be cumulative.

You will not have to contribute to this additional excess if the only damage to your insured vehicle is a broken windscreen or window glass or hail damage.

No driver experience excesses are payable for the following vehicles:

- (a) mobile farm machinery
- (b) any unregistered cycle, and
- (c) caravans.

Undeclared driver's excess

In addition to any other applicable excesses, you will have to contribute an undeclared driver's excess if at the time of an accident your insured vehicle was being driven by or in charge of a person:

- (a) who is a member of your family and they normally live with you, and
- (b) whose name has not been shown as a driver on the Policy Schedule.

The amount of the undeclared driver's excess is shown in the Policy Schedule.

You will not have to pay this excess if:

- (a) the driver of your vehicle is over 25 years and has not been convicted of driving under the influence of alcohol or had their licence suspended or cancelled in the 5 years immediately before the accident or loss or
- (b) you satisfy us that an emergency existed or
- (c) the only damage to your insured vehicle is a broken windscreen or window glass or hail damage or
- (d) damage occurs when the insured vehicle is parked or unattended.

No undeclared driver excesses are payable for the following vehicles:

- (a) mobile farm machinery
- (b) any unregistered cycle, and
- (c) caravans.

When no excess applies

You will not have to pay any excess if:

- (a) you can satisfy us that the claim involves a collision with another vehicle and the collision which gave rise to the claim was totally the fault of the driver of another vehicle and
- (b) you tell us the registration number of the other vehicle and the full name, license number and address of the other driver and
- (c) the amount of your claim exceeds the applicable excesses under this Section.

We give this benefit only if we are allowed legally to recover the amount of any loss including any applicable excesses from a third party.

Exclusions which apply to this section

We will not pay for:

1. any international or interstate freight charges or more than the manufacturer's latest price for parts which are not available locally (unless these costs are incurred with our consent)
2. If your vehicle has been imported and any part is not available in Australia, more than the cost of parts used in the repair of your vehicle up to the manufacturer's recommended list price in Australia. However if such list is not available, we will only pay for the cost of the parts plus the cost of freighting such parts by sea transport
3. loss of use, depreciation, wear and tear, rust or corrosion
4. any structural failure, mechanical, electrical, electronic or hydraulic breakdown failure or breakage. However we will cover damage to your vehicle if an accident occurs to your vehicle resulting from structural failure, mechanical, electrical, electronic or hydraulic breakdown failure or breakage, or faulty design or workmanship, if such loss is otherwise covered by this section
5. damage to tyres caused by the application of brakes or by punctures, bursts or road cuts
6. any loss or damage due to failure to take reasonable steps to ensure the safety of the insured vehicle
7. any loss or damage, if your vehicle was not reasonably secured against further damage or theft, following an accident
8. theft or any malicious act, committed by:
 - any person who is insured by this Policy or in collusion with any person insured by this Policy, or
 - any person or entity to whom the insured vehicle is lent, leased or hired.
9. loss or damage caused by lawful repossession, seizure or other operation of law
10. monetary loss incurred by you through contractual or financial arrangements involving your insured vehicle
11. loss or damage to your caravan, annexe and personal belongings when:
 - left unattended for more than 24 hours at a place other than your farm, or a recognised caravan park with a resident manager or caretaker
 - let out on hire
 - your caravan is being used other than for private purposes.
12. loss suffered as a result of inability to use your caravan
13. any claim for liability for property damage or personal injury to others if your insured vehicle is not registered at the time of the accident
14. any claim caused by vibration or the weight of your insured vehicle and its load
15. any claim for property damage caused by or arising from the use of your insured vehicle or anything attached to it as a tool of trade for any form of reward
16. property damage or bodily injury or liability for more than \$500,000 for loss or damage or liability in respect of any one accident or series of accidents arising out of any one event from the transport of dangerous goods
17. any liability for loss or damage to any vehicle other than your own, which is being used to tow a caravan insured by this section
18. any claim if at the time of the loss or accident your insured vehicle was used to carry a number of passengers in excess of that for which your insured vehicle was constructed, registered or licensed
19. any claim if at the time of the loss or accident your insured vehicle was carrying a load in excess of that for which it was designed, registered or licensed
20. any claim if at the time of the loss or accident your insured vehicle was being:
 - tested other than in connection with or while undergoing service or repair
 - used in any experiments
 - used in or prepared for reliability trials, speed trials, hill climbing tests, rallies, races or other motor sports events or demonstrations
 - used in or prepared for any stunt for film, video or audio recording, or
 - used while in an unroadworthy or dangerous condition.
21. any claim if at the time of the loss or accident your insured vehicle:
 - was used otherwise than in accordance with the description of use stated in the Policy Schedule
 - was used for the conveyance of passengers for hire, fare or reward other than under a private pooling arrangement
 - was let out on hire
 - formed part of your stock in trade
 - was used in the business of a motor driving school
 - was used for the business or occupation of the collection and delivery of goods articles or livestock for reward unless noted in the Policy Schedule.
22. any claim if at the time of the loss or accident:
 - you or any person driving or riding with your consent was not licensed to drive or ride your insured vehicle under any law, or
 - your insured vehicle was being driven or ridden on a public road by a person who was not licensed to drive or ride the insured vehicle on a public road.
23. any claim if at the time of the loss or accident you or any person were driving your insured vehicle:
 - under the influence of, or when impaired by any drug or intoxicating liquor, or
 - when the percentage of alcohol in the breath or blood was in excess of that permitted by law

but if you can prove you did not know that the driver of your insured vehicle was so affected, we will indemnify you.

24. any claim for damage if, following an accident involving your insured vehicle, you or any person entitled to cover under this section refused to submit to a test to determine the percentage of alcohol in the breath or blood when requested to do so
25. any claim for loss or damage resulting from the use of a fuel system that does not comply with the appropriate Australian Standard code
26. any claim for loss or damage resulting from or occasioned by you (or any person entitled to cover under this Policy) stealing, converting, absconding with or otherwise misappropriating your insured vehicle or deliberately inflicting damage with or to your insured vehicle
27. loss or damage resulting from theft due to trickery or deception
28. any additional costs, such as but not limited to hire car costs, (other than those covered elsewhere in this Policy), because you cannot use your insured vehicle even though your insured vehicle may not be available following loss or damage covered under this section
29. any loss, damage or liability if any articulated motor vehicle covered under this section is, at the time of an accident, being driven by or is in the charge of a person who is under 25 years of age
30. any loss, damage or liability if any rigid body motor vehicle with a carrying capacity of 8 tonnes or greater is, at the time of an accident, being driven by or is in the charge of a person under 21 years of age
31. any loss or damage under cover 1 of this section if, at the time of an accident, your crane was lifting, lowering, carrying or suspending a load in excess of that for which it is constructed to, or for which it is licensed to lift, lower, carry or suspend
32. any loss, damage, or liability under cover 2 of this section arising out of the use of your crane if at the time of accident, it is lifting, lowering, carrying or suspending any object
33. any breakage of or damage to boring equipment while the boring machine is in operation
34. any breakage of or damage to the blades of mobile farm machinery while in operation
35. any loss or damage or liability in respect of any underground sewers, water pipes, gas pipes, electric wire cables or their supports, including any transmission cables and their supports or any other underground pipes or cables or their supports.

Conditions which apply to this section

There are also general conditions which apply to all sections of this Policy.

Maintenance

You must take reasonable steps at all times to safeguard your insured vehicle from loss or damage and to maintain it in efficient condition.

Repairs

You must not authorise repairs to your insured vehicle without our consent.

Cancellation/salvage

If we settle a claim for your insured vehicle on the basis that it is a total loss:

- (a) we will not refund any premium to you for that insured vehicle, and
- (b) we will retain the proceeds of any sale of the wreck of your insured vehicle.

Alterations

This section of the Policy will automatically terminate if the suspension, wheels or engine of your insured vehicle were altered to increase performance beyond the manufacturer's specifications unless:

- we have previously agreed to the alteration,
- you have paid any additional premium we require, and
- you have agreed to accept any alteration or addition to the terms of this Policy.

General average

If the insured vehicle is transported by sea within Australia and as a result of a loss you are charged general average and/or salvage costs, then we will pay those costs.

Accident or loss occurring within 9 weeks of renewal

If you report an accident or theft that affects your No Claim Bonus:

- within the 9 week period to the expiry date of this Policy, or
- after the expiry date of this Policy but the claim occurred prior to the expiry date,

you must pay any additional premium payable as a result of the effect of that claim on your No Claim Bonus within 28 days of written notice to you of the additional premium payable.

Special clauses

Only those clauses shown in the Policy Schedule will apply.

- **Dangerous goods**
Provided that the transportation of dangerous goods is limited to classes 2,3,4,5,8 and 9 as listed under The Australian Code for the Transport of Dangerous Goods by Road and Rail it is agreed that the maximum amount we pay under the 'tool of trade' exclusion is amended to the amount shown in the Policy Schedule in respect only to those motor vehicles whose registration numbers are shown on the Policy Schedule.
- **Radius restriction**
It is agreed that any articulated insured vehicle or any rigid body Motor Vehicle with carrying capacity of 8 tonnes or greater covered under this Section are only covered for loss, damage or liability while operating within the kilometre radius of your home, base(s) or depot(s), shown on the Policy Schedule, unless noted otherwise.
- **Underground pipes and cables**
It is agreed that exclusion 35 is deleted and that this section indemnifies you, on the terms and conditions of

this Section, for any liability arising out of any damage to, or as a result of damage to any underground sewers, waterpipes, gas pipes, electric wire cables or their supports including and transmission cables and their supports (underground services) provided you have ascertained the actual position of these underground services from the relevant authorities prior to commencement of any excavation.

Section B3: Farm Liability

This section covers you for your legal liability for injury or damage to other people or their property.

This liability must arise out of something that happened in connection with your farm business while this Policy was in force.

If you have chosen this cover it will be shown on your Policy Schedule.

What we insure

This section insures your legal liability to pay compensation to others in the circumstances which are set out in the sections headed 'What we will pay' and 'Extensions/qualifications to this cover' of this section of the Policy.

Definitions which apply to this section

'Medical practitioner' includes qualified medical practitioners, nurses, dentists and first aid attendants.

'Occurrence' means an event, including continuous or repeated exposure to substantially the same general conditions, which results in personal injury or property damage or advertising liability which you neither expected nor intended to happen.

'Personal injury' means:

- (a) bodily injury (and this expression includes death and illness), disability, shock, fright, mental anguish, mental injury
- (b) false arrest, wrongful detention, false imprisonment or malicious prosecution
- (c) wrongful entry or eviction or other invasion of privacy
- (d) a publication or utterance of a libel or slander or other defamatory or disparaging material
- (e) assault and battery which is not committed by you or at your direction unless reasonably committed for the purpose of preventing or eliminating danger to person or property.

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

'Products' means any goods, products and property after it has ceased to be in your possession or under your control which was (or is deemed by law to have been) manufactured, grown, extracted, constructed, erected, installed, repaired, serviced, treated, sold, supplied, or distributed by you in connection with your farm business.

Products includes any container of that property other than a vehicle.

'Property damage' means

- (a) physical damage to, or loss or destruction of, tangible property including any resulting loss of use of that property,
- (b) loss of use of tangible property which has not been physically damaged, lost or destroyed provided such loss of use is caused by an occurrence.

'Vehicle' means any type of machine on wheels or self-laid tracks which is intended to be propelled by other than manual or animal power. Vehicle includes any trailers or other attachments which are intended to be drawn by any machine.

'You', 'your' in this section means

The persons and entities who are named in the Policy Schedule as the Insured and includes:

- (a) if the insured named in the Policy Schedule is a company, all subsidiary companies (now or subsequently constituted) of the insured named in the Policy Schedule provided their places of incorporation are within Australia or any territory of Australia
- (b) every director, executive officer, employee, partner or shareholder of the farm business (or in a company described in paragraph (a)) but only while acting within the scope of their duties in such capacity
- (c) every principal, in respect of that principal's liability for you (or in a company described in paragraph (a)) caused by the performance of work for that principal, but subject always to the extent of coverage and the limit of liability provided by the section
- (d) every office bearer or member of social and sporting clubs, canteen and welfare organisations and first aid, fire and ambulance service formed with your consent (other than an insured designated in paragraphs (c) and (e)) in respect of claims arising from their duties connected with the activities of any such club, organisation or service. This insurance will not apply to personal injury to or property damage of any participants of any game, match or the like
- (e) your partner, joint venturer, co-venturer or joint lessee but only
 - with respect to liability incurred as the partnership, joint venture, co-venture, joint lease, and
 - provided the partnership, joint venture, co-venture, joint lease has been notified to us within 60 days of formation and has been endorsed on the Policy Schedule.
- (f) your directors or senior executives in respect of any private work undertaken by your employees for such director or senior executive.

What we will pay

Legal liability

Subject to the following, we will pay to you or on your behalf:

- (a) any amount that you are legally liable to pay to another person including costs awarded against you

- (b) for personal injury or property damage happening within the period of insurance
- (c) which arises out of an occurrence in connection with the farm business.

Legal costs

In addition to the limit of liability, we will pay the following costs and expenses:

- (a) legal costs and expenses that we incur (these are in addition to the limit of liability)
- (b) all reasonable expenses (not including loss of earnings) that you have incurred and we have agreed in writing to reimburse, and
- (c) expenses incurred by you for first aid treatment for personal injury to others caused by an occurrence (unless we are prohibited by any law from paying those expenses).

Defending claims

- (a) We will defend any proceedings against you seeking damages for personal injury and/or property damage in your name and on your behalf even if the suit is groundless or fraudulent.
- (b) In the conduct of your defence we reserve the right to investigate, negotiate and settle any claims or suit as we consider appropriate.
- (c) We will not defend any proceedings after the applicable limit of liability has been exhausted.

Extensions/qualifications to this cover

Property in your control

We will not pay any amount for claims for property damage to property in your physical or legal control other than claims in relation to:

- (a) premises which you rent (including the landlord's fixtures and fittings)
- (b) premises (and their contents) which you do not own or rent but which you temporarily occupy to carry out work in or on the premises (except for property damage to that part of the premises or their contents on which you are working)
- (c) a vehicle in your physical or legal control where the property damage occurs in a car park that you own or operate.

We will NOT pay if:

- you own or operate the car park for reward as part of your farm, or
- the vehicle is owned or being used by you or on your behalf
- (d) employee's property
- (e) other tangible property which is not owned by you but is in your physical or legal control, which you are not required to insure under a contract or agreement. This does not apply to any property on which you are or have been working.

The maximum amount we will pay for claims for property damage to livestock and property in your physical or legal control arising out of the one occurrence is:

- (a) \$100,000 for property and vehicles

- (b) \$50,000 for birds and animals, and
- (c) \$150,000 for in aggregate during any one period of insurance.

No cover applies to ostrich, deer and alpaca.

Registered vehicles

Subject to the following, we will not pay for any claims for personal injury or property damage which arise out of the ownership, possession, operation or maintenance by you of any vehicle, which is required under any legislation to be registered or in respect of which compulsory liability insurance or statutory indemnity is required by virtue of any legislation (whether or not that insurance has been affected).

However, we will pay claims for:

- (a) personal injury where
 - that compulsory liability insurance or statutory indemnity does not provide indemnity, and
 - the reason or reasons why that compulsory liability insurance or statutory indemnity does not provide indemnity do not involve a breach by you of legislation relating to vehicles.
- (b) property damage
 - arising out of and during the loading or unloading of goods to or from any vehicle,
 - caused by or arising from the operation or use of any vehicle which is designed primarily for lifting, lowering, loading, unloading, digging or drilling while being operated or used by you or on your behalf within the confines of the farm,
 - caused by the use of any tool or plant forming part of or attached to or used in connection with any vehicle (excluding while the vehicle is travelling, transporting or carting goods) at any work site.
- (c) property damage or personal injury arising out of the ownership, possession, operation or maintenance by you of any mobile farm machinery which
 - is used in connection with the farm business, and
 - is on your farm or any private property or road within 100 kilometres of your farm and is being driven for the purpose of:
 - moving in rural areas between properties used or cultivated for primary production, or
 - delivery to or from your farm after you have purchased or sold it, or
 - going to or returning from a workshop within 100 kilometres of the farm for the purpose of repair or service.
- (d) personal injury and property damage claims arising from your use of a registered vehicle as a tool of trade on a work site.

We will not pay under this clause 'Registered vehicles' any amount for which you are or are required to be insured by any law relating to the compensation of persons for injuries received in motor vehicle accidents.

Overspray damage

We will pay for property damage claims arising as a result of ground based spraying operations carried out in connection with your farm business, however:

- (a) we will not pay for property which you own or have any interest in, and
- (b) we will not pay claims for any environmental impairment that may result from the spraying.

Landing areas

We will pay for property damage and personal injury claims that arise from the maintenance by you of any landing areas on your farm.

'Landing area' includes any area on which aircraft land, take off or are housed, serviced or operated.

However, we will not pay any amount if:

- (a) the landing area does not comply with all relevant regulations, statutes and by-laws in force, and
- (b) you operate the landing area for financial gain.

The maximum amount we will pay**Limit of liability**

We will not pay more than the limit of liability shown in the Policy Schedule for this section:

- (a) for all claims during any one period of insurance when the personal injury or property damage is caused by your products
- (b) for fire or flood: all claims during any one period of insurance
- (c) for farm pollutants: all claims during any one period of insurance
- (d) for each other claim or series of claims for personal injury or property damage which is caused by or arising from the same occurrence.

Legal costs

In addition to the limit of liability, we will pay all legal costs and expenses incurred by us in relation to these claims.

However, if more than the limit of liability has to be paid to dispose of a claim, we will not pay more than the proportion of the legal costs and expenses that the limit of liability bears to the amount paid to dispose of the claim.

Excess

For each claim you make under this section of the Policy you will have to pay an excess. The amount of the excess is shown on the Policy Schedule

Exclusions which apply to this section

We do not insure you for:

1. Employment liability

Any liability:

- (a) for personal injury to your employees arising directly or indirectly out of their employment in your farm business

Provided this exclusion (a) does not apply in respect of liabilities for injury which are not compensated under the workers' compensation legislation in Queensland and Northern Territory where employment is not a major significant factor causing the injury

- (b) where you would have been entitled to seek indemnity under any Policy of insurance required to be taken out pursuant to any legislation relating to workers' compensation including any legislation of any state or territory (even if you have not taken out that insurance)
- (c) any claim or claims arising out of the provisions of any workers' compensation legislation or any industrial award or agreement or determination.

For the purpose of this exclusion 'employee' means any person engaged under a contract of service or apprenticeship with you but does not include any person employed under such contract who is excluded from the definition 'worker' under any workers' compensation legislation.

2. Excluded persons

Personal Injury to:

- (a) you or your family
- (b) where you are a company
 - any director of your company or
 - any family of a director of your company.

3. Host farms

Property damage or personal injury which arises out of the use of the farm for providing accommodation, tourism or leisure facilities or activities for reward, unless stated in the Policy Schedule.

4. Product defect

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

5. Loss of use

Loss of use of tangible property which has not been physically damaged, or lost or destroyed as a result of:

- (a) a delay or lack of performance by or on behalf of you of any agreement
- (b) failure of your products to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented.

This does not apply to loss of use of other tangible property which results from sudden and accidental physical damage to or destruction of your products after they have been put to use by any person or organisation other than you.

6. Product recall

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

7. Aircraft and watercraft

Claims arising out of:

- (a) the ownership, maintenance, operation or use by you of:
 - any aircraft or hovercraft, or
 - any watercraft exceeding 10 metres in length.
- (b) your products that are aircraft component parts used for maintaining an aircraft in flight or moving upon the ground or used in the construction of an aircraft hull or machinery which to your knowledge is incorporated in an aircraft.

8. Aerial spraying

Claims arising out of any aerial spraying.

9. Contractual liability

Liability in respect of any obligation assumed by you under any agreement except to the extent that:

- (a) the liability would have been implied by law
- (b) the liability arises from provision in a contract for lease of real or personal property other than a provision which obliges the insured to effect insurance or provide indemnity in respect of the subject matter of the contract
- (c) the liability is assumed by you under a warranty of fitness or quality as regards the products.

10. Professional liability

Claims arising out of the rendering of or failure to render any professional advice or service by you, or any related error or omission.

This exclusion does not apply to a medical practitioner you employ to provide first aid and other emergency medical services at your farm, provided such professional advice or service is not given for a fee.

11. Defamation

Liability arising out of the publication or utterance of any defamatory material:

- (a) made prior to the commencement of the period of insurance
- (b) made by you or at your direction when you knew it was false, or
- (c) related to advertising, broadcasting, or telecasting activities conducted by you or on your behalf.

12. Pollution

- (a) personal injury or property damage caused by or arising out of the discharge, dispersal, release or escape of pollutants into or upon land, the atmosphere, or any water course or body of water

- (b) any costs and expenses incurred in preventing, removing, nullifying or clean-up of any contamination or pollution.

Pollution exclusions (a) and (b) above do not apply if the discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended and takes place in its entirety at a specific time and place during the period of insurance.

13. Territorial limits

Claims made and actions:

- (a) instituted within the United States of America or Canada or any other territory coming within the jurisdiction of the Courts of those countries, or
- (b) to which the laws of the United States of America or Canada apply.

This exclusion does not apply to claims and actions arising from the presence outside Australia of any person who is normally resident in Australia and who is not undertaking manual work or supervision of work of any kind while in the United States of America or Canada.

However we will pay no more than the limit of liability shown in the Policy Schedule (inclusive of all legal costs, expenses and interest) for any such claims.

14. Exports to USA or Canada

Claims for personal injury or property damage caused by or arising out of the products knowingly exported by you or your agents or servants to the United States of America, Canada.

15. Asbestos

Personal injury or property damage (including loss of use of property) directly or indirectly caused by or arising from the existence, mining, handling, processing, manufacture, sale, distribution, storage or use of asbestos, asbestos products and/or products containing asbestos.

16. Faulty workmanship

Property damage to that part of any property upon which you are or have been working where the property damage arises from your work or the cost of performing, correcting or improving any work undertaken by you.

17. Treatment or dispensing

Personal injury or property damage arising from:

- (a) the treatment by you or on your behalf of humans or animals for any physical or mental deficiency, injury, illness or disease, or
- (b) the dispensing of drugs, medicines, pharmaceutical supplies or artificial aids.

18. Defect in design

Any defective design or error in specification or formula in any of your products but we will insure you for products you do not manufacture but are sold, supplied or distributed by you where by law you are deemed to be the manufacturer.

19. Property in custody and control

Property Damage to:

- (a) property you own or property rented to you, or

- (b) property in your physical or legal control
except as provided for in the extension/qualification 'Property in your control'.

20. Information technology hazards, computer data, program and storage media

- (a) Personal injury or property damage arising, directly or indirectly, out of, or in any way involving your 'internet operations'.

This exclusion does not apply to personal injury or property damage arising out of any material which is already in print by the manufacturer in support of its product, including but not limited to product use and safety instructions or warnings, and which is also reproduced on its site.

'Internet operations' means the following:

- (i) use of electronic mail systems by you or your employees, including part-time and temporary staff, contractors and others within your organisation
- (ii) access through your network to the world wide web or a public internet site by you or your employees, including part-time and temporary staff, contractors and others within your organisation
- (iii) 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
- (iv) the operation and maintenance of your web site.

Nothing in this exclusion will be construed to extend coverage under this Policy to any liability which would not have been covered in the absence of this exclusion.

- (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
 - (iii) the use of computer hardware or software belonging to any third party, whether authorised or unauthorised including damage caused by any computer virus.

21. Punitive damages

Punitive damages, exemplary damages, aggravated damages and any additional damages resulting from the multiplication of compensatory damages.

22. Fines, penalties

Fines, penalties or liquidated damages.

Conditions which apply to this section

There are also general conditions which apply to all sections of this Policy

Territorial limitations

The indemnity provided by this section applies world wide subject to the exclusion headed 'Territorial limits'.

Joint insureds

Where you comprise more than one person or a company, we will treat each as a separate insured. The words you or your will apply to each in the same manner as if a separate Policy had been issued to them.

This does not alter or increase the limit of liability for this section for any occurrence or period of insurance and is subject to Exclusion 2 – 'Excluded persons' in the 'Farm liability' section of this Policy.

Reasonable care

In addition to your obligations set out in the general conditions of the Policy, you must:

- (a) take all reasonable precautions to prevent the manufacture, sale or supply of defective products
- (b) take all reasonable precautions to comply and ensure that your employees, servants and agents comply with all statutory obligations, by-laws or regulations imposed by all relevant public authorities:
 - for the safety of persons and property
 - for the disposal of waste products, or
 - for the handling, storage or use of flammable liquids, infectious or explosive substances, gases or toxic chemicals.
- (c) at your own expense take reasonable action to trace, recall or modify any of your products which contain any defect or deficiency which you know about or have reason to suspect.

This includes but is not limited to any of your products which are subject to a government or statutory ban.

Inspections

You must allow us to examine and audit your farm business books and records at any time during or within 3 years of the expiry of the period of insurance. Our rights of examination and audit after expiry of the Policy are restricted to matters which in our opinion are relevant to the Policy.

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

Subrogation

Subject to the Insurance Contracts Act 1984 (the 'Act'), we will be subrogated to all of your rights of recovery against all persons and organisations you must execute and deliver instruments and papers and do everything that is necessary to assist us in the exercise of those rights.

Section B4: Livestock & Working Dogs

Under this section we insure the working dogs and livestock that you ask us to insure against death including destruction for humane reasons. If you have chosen this cover it will be shown on your Policy Schedule.

We also pay some veterinary fees if these are incurred as a result of an accident and cover is provided for teat damage caused by fire.

What we insure

Under this section we insure:

- (a) the livestock or working dogs that you have chosen to insure
- (b) against death which occurs during the period of insurance
- (c) while the livestock or working dogs are:
 - at the farm
 - on agistment
 - on a public road or public land other than when they have strayed from unfenced land or open pasture
 - at a saleyard, or breeder's property, or
 - on exhibition.

The livestock or working dogs that you have chosen to insure are shown in the Policy Schedule.

Definitions which apply to this section

'Working dogs' means dogs that are used in connection with the farm activities, but not dogs kept as domestic pets.

'Death' includes destruction that is necessary for humane reasons.

What we will pay

When livestock are insured by this section, we will pay for death caused by:

- (a) fire, lightning, explosion, or earthquake
- (b) impact by:
 - any vehicle, or
 - aircraft or articles dropped from them.

When working dogs are insured by this section, we will pay for death caused by any accident.

How much we will pay

If you replace the insured livestock within 120 days of death, we will pay the lesser of the replacement cost or 110% of the sum insured.

If you do not replace the insured livestock within 120 days of their death, we will pay the lesser of the market value at the time of death or the sum insured.

In addition to the sum insured, we will pay the reasonable costs incurred by you for the disposal of carcasses after an event insured by this section up to the lesser of 5% of the sum insured or \$3,000.

Underinsurance

If the sum insured for any category of livestock under this section is less than 80% of the market value of all the animals in that category that you own at the time of the death of any animal(s) in that category, then you will be your own insurer for the difference between the sum insured and the market value. This means you will bear a rateable proportion of each claim.

This clause will not apply if the amount of the loss does not exceed 5% of the sum insured for the category of animal which has died.

Additional benefits

Teat damage

If as a result of fire, insured livestock which are used for milk production or breeding are not able to yield milk, then we will pay the loss of value of the livestock.

We will not pay for any consequential loss of any kind.

Veterinary attention

In addition to the sum insured for this section, we will pay up to 20% of the value at the time of the injury of livestock or a working dog for the reasonable cost of veterinary attention following an insured event for livestock or an accident for a working dog provided that it is economical to seek veterinary attention.

Maximum amount

Unless we specifically agree to pay an amount in addition to the sum insured, we will not pay any more than the sum insured shown in the Policy Schedule for this section for each animal or category of animal.

Excess

For each claim made under this section you will have to pay an excess. The amount of the excess is shown on your Policy Schedule.

Exclusions which apply to this section

We will not pay for death:

1. of livestock which are in transit
2. of any livestock or working dog which was not in sound health, or was suffering from any injury or physical disability at the time this insurance started, unless you were unaware of, and a reasonable person in the circumstances could not have been expected to be aware of such injury, illness or physical disability
3. of working dogs which is caused by or results from:
 - pregnancy
 - inoculation
 - illness
 - theft by any member of your family or employees
 - the loan of the working dog to another person for monetary reward, or under any financial arrangement.
4. working dogs if they are less than two months or more than ten years old
5. of poultry except where death is directly caused by fire, or lightning to the farm buildings in which the poultry is housed.

Conditions applying to this section

There are also general conditions which apply to all sections of this Policy

- You must tell us within 12 hours of the death of any working dog insured under this section.
- We may arrange a post mortem examination by a veterinary surgeon.
- You must not dispose of any carcass until 24 hours after you have notified us of the death.
- You must provide us with full written particulars of the cause of death, the identity and value of the animal within 21 days of its death.
- You must authorise the release to us of any veterinary records we may need in relation to the claim.

Section B5: Machinery Breakdown

What we insure

If any item or items or any part of an item referred to in the Policy Schedule, suffers insured damage during the period of insurance we will indemnify you in respect of such loss or damage as provided in the basis of settlement clause.

If you have chosen this cover it will be shown on your Policy Schedule.

Definitions which apply to this section

'Plant and machinery' refers to:

Cover 1 – Blanket cover

- 'Electrical and mechanical' items driven by motors with capacity not exceeding 7.5 kilowatts (10HP), including electronic and other integral parts of the insured items including boilers, pressure vessels and pressure pipe systems as defined in (b) below.
- 'Boilers, pressure vessels and pressure pipe systems' means the permanent structure of those insured items which are subject to internal steam, gas or fluid pressure (other than atmospheric pressure) including all direct attachments connected to the permanent structure and includes with respect to boilers the rotating, reciprocating or electrical apparatus attached to them.

Cover 2 – Selected machinery covers

Items as selected including electronic and other integral parts of the insured items.

'Plant and machinery' does not include:

- submersible pumps with respect to Cover 1 (Blanket cover)
- vehicles or mobile plant
- computers, electronic data processing equipment, office equipment, telecommunication transmitting and receiving equipment, audio visual amplification and surveillance equipment
- research, diagnostic and electro medical equipment
- domestic appliances

- televisions, videos, gambling or amusement machines
- lifts or escalators

'Insured damage' means sudden and unforeseen physical loss or damage to the insured item which occurs during the period of insurance and requires immediate repair or replacement to allow continuation of use.

Additional cover

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

- that loss or damage occurred within the location during the period of insurance as a direct result of impact from part of an insured item of plant and machinery and
- the loss or damage is directly caused by insured damage and occurs in circumstances where cover is provided, and not excluded under this section and provided we will not pay more than the sum insured or limit any one loss as specified in the Policy Schedule for that insured item of plant and machinery as specified in the Policy Schedule for loss or damage caused to the uninsured item.

Basis of settlement

In the event of insured damage under this section we will pay you, up to the sum insured or limit any one loss (whichever is selected) less the applicable excess, the reasonable cost of repairs or replacement necessary to return the insured item to its former state of operation including:

- cost of dismantling, re-erection and removal of debris
- replacement of refrigerant lost from an insured item as a direct result of insured damage
- charges for overtime and work on public holidays where necessarily and reasonably incurred
- freight within the Commonwealth of Australia by any recognised scheduled service, and
- hire of a temporary replacement item during the time taken to repair damage to any insured item

provided the total of all these costs in clauses (c), (d) and (e) in this section are limited to 50% of the normal cost of repair payable under this section.

Our liability inclusive of these additional costs will not exceed the sum insured specified in the Policy Schedule.

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

- the cost of replacement of the insured item by an item of similar function, type, capacity and quality in a condition equal to, but not better than, the condition of the insured item when new, or
- the sum insured for the insured item if selected machinery cover is selected, or
- the limit any one loss if the blanket cover is selected.

We will pay the lesser (a), (b) and (c).

We are not required to replace or repair the insured item exactly, but to repair or replace to an equivalent standard.

The value of any salvage will be subtracted from any amount payable under this section.

The sum insured for insured items of plant and machinery specified in the Policy Schedule will be automatically reinstated following insured damage for no extra premium.

The amount of each claim otherwise payable will be reduced by amount of the excess shown in the Policy Schedule. For each claim you make under this section you will have to pay an excess.

Where components or manufacturer's specifications are no longer available due to obsolescence, the basis of settlement will be the cost which would have been incurred if the components or specifications had still been available.

Deterioration of stock in cold storage - Extension

If you have chosen this cover it will be shown on your Policy Schedule.

Scope of cover

We will indemnify you up to the sum insured for loss of or damage to the stock specified on the Policy Schedule while the stock is contained in the cold storage spaces cooled by the plant and machinery nominated in the Policy Schedule, and caused by deterioration or putrefaction as a result of:

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

occurring during the period of insurance at the location.

Basis of settlement

- (a) We will pay the cost of replacement of the lost or damaged stock calculated immediately prior to the loss or damage occurring, but we will not pay more than the sum insured stated in the Policy Schedule for the stock less the applicable excess.
- (b) The amount we pay for each claim will be reduced by the amount of the excess shown in the Policy Schedule.

Exclusions - applying to this Extension (in addition to the exclusions contained in 'Exclusions applying to this section').

We will not pay for:

1. any loss or damage due to shrinkage, inherent defects or diseases
2. loss or damage caused by improper storage, collapse of the packing material or storage structure
3. penalties for delay or detention or consequential loss or damage or liability of any nature whatsoever and
4. loss or damage following loss of public power supply due to:
 - (a) the deliberate act of any public power supply authority

- (b) the decision by any public power supply authority to restrict or withhold supply
- (c) shortage of power generation fuel or water.

The sum insured under this extension will be automatically reinstated following insured damage for no extra premium.

Exclusions which apply to this section

We will not pay for:

1. loss or damage caused by or arising from:
 - (a) fire, smoke or soot
 - (b) extinguishing a fire including subsequent demolition or repair work
 - (c) lightning
 - (d) chemical explosion (other than explosion of flue gas in boilers)
 - (e) impact of landborne vehicles, aircraft or waterborne craft
 - (f) earthquake, subterranean fire or volcanic eruption
 - (g) landslip or subsidence
 - (h) storm, tempest, flood, windstorm or cyclone
 - (i) water escaping, discharged or leaking from any source which is external to the plant and machinery insured
 - (j) theft or burglary
 - (k) intentional or malicious damage or
 - (l) the carrying out of tests involving abnormal stresses, including overloading of any insured item.
2. the cost of:
 - (a) replacement of expendable items such as belts, filters, fuses, electric heating elements, electrical contacts, thermostats, thermal expansion valves, cutting blades, crushing surfaces, glass or porcelain, ceramics, chains, seals, links, dies and moulds, conveyor belting, lubricants, fuel and any transfer media
 - (b) replacement of component parts worn through normal machine operation
 - (c) adjustment, cleaning, purging or recharging of refrigeration or air conditioning equipment
 - (d) repairs to piping and other ancillary systems due to cracking of pipe work or
 - (e) replacement of refractory or brickwork forming part of an insured item

unless necessary as part of the rectification of insured damage not otherwise excluded under this section.
3. the cost of:
 - (a) maintenance work including but not limited to the tightening of loose parts, recalibration or adjustments
 - (b) alteration, additions, improvements or overhauls whether carried out in the course of repairs covered by this Policy or as a separate operation

- (c) modification or alteration of insured plant which has suffered insured damage to enable it to operate with a more ozone friendly refrigerant gas as required by the UNEP (United Nations Environmental Protection) Montreal Protocol with respect to substances which deplete the ozone layer
 - (d) replacement or repair, caused by gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation)
 - (e) replacement of lighting equipment, reticulating electrical wiring, reticulating liquid and gas piping and ducting
 - (f) repair of scratches to painted or polished surfaces
 - (g) repair of slowly developing deformation or distortion of any part
 - (h) repair of blisters, laminations, flaws or grooving even when accompanied by leakage
 - (i) damage caused to insured item or items caused by any hydraulic testing
 - (j) repairs to valves, fittings, glands, joints, gaskets, pipes, lines and connections which are defective or leaking
 - (k) repairs to shaft keys requiring tightening, fitting renewal
 - (l) damage caused by the movement of foundations, masonry or brick work, or
 - (m) removal or installation of underground pumps and well casings unless specifically noted on the Policy Schedule. This exclusion does not include submersible pumps.
4. Consequential loss.
 5. Insured damage to any item being moved caused by dual lifting.
 6. Anything to the extent you are entitled to recover the costs of labour or parts under a maintenance agreement, warranty, guarantee or indemnity in your favour by the manufacturer of the relevant Item or any other person.

Special conditions which apply to this section

There are also general conditions which apply to all sections of this Policy.

In addition to complying with those general conditions, on the happening of any occurrence which might give rise to a claim under this section you must:

- (a) take all reasonable steps to minimise the extent of the loss
- (b) preserve any damaged or defective plant or items and make them available to us for inspection.

Our liability will cease for any plant which has sustained damage and is operated without having been repaired in a manner consistent with the generally accepted rules of engineering practice.

Newly installed items

At the end of each period of insurance you will furnish us with details of any items newly installed or which have been deleted during the period of insurance. Additional or return premiums will be calculated corresponding to the type and value of the items and the period of insurance from the time of completion of the successful commissioning of the items. Provided that our liability for all additional items will not exceed fifty percent of the total sum insured or limit of liability as stated in the Policy Schedule.

Inspection

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

This insurance only applies after completion of successful initial commissioning.

Section B6: Electronic Equipment

What we insure

If any insured item or items of electronic plant or any part of an item of electronic plant specified in the Policy Schedule which is at the location or is at other premises for the sole purpose of maintenance, repair or service suffers insured damage during the period of insurance, we will indemnify you as provided in the basis of settlement.

If you have chosen this cover it will be shown on your Policy Schedule.

Definitions which apply to this section

'Insured damage' means sudden and unforeseen physical loss or damage to the insured item which occurs during the period of insurance and requires immediate repair or replacement to allow continuation of use, caused by malicious or accidental damage, vibration, power surge, low voltage, mechanical, electrical and electronic breakdown.

'Electronic plant' means all computers, word processors including all ancillary equipment attached thereto, software, other electronic equipment as specified in the Policy Schedule as insured items.

'Software' means the collection of programs which cause a computer to perform a desired operation or series of operations.

'Electronic data' means the information stored on the electronic data media.

'Electronic data media' means the discs or tapes used in the computer to store the information.

Basis of settlement

- (a) In the event of insured damage to the insured item of electronic plant we will pay the cost of replacement or repairs necessary to return the Insured Item to its former state of operation including:
 - (i) cost of dismantling, re-erection and removal of debris

- (ii) charges for overtime and work on public holidays where necessarily and reasonably incurred and
- (iii) freight within the Commonwealth of Australia by any recognised scheduled service

provided that the costs in clauses (ii) and (iii) above are limited to 50% of the normal cost of repair payable under this section.

Our liability inclusive of these additional costs will not exceed the sum insured specified in the Policy Schedule.

- (b) No deduction will be made for depreciation or parts replaced except for valves, tubes (including picture and x-ray tubes) and light sources. We will deduct a proportion of the replacement cost of these items being the proportion which the period of use up to the time of failure, bears to the normal service life expected by the manufacturer or supplier.
- (c) All insured damage which can be repaired, must be repaired, however, should the item be uneconomical to repair due solely to the nature of the insured damage, settlement will be as follows:
 - (i) the sum insured for the insured item as stated in the Policy Schedule or
 - (ii) for insured items less than six years old the cost of replacement of the insured item by an item of similar, function, type, capacity and quality and in a condition equal to but not better than, the condition of the insured item when new or
 - (iii) for insured items six years or older, the installed value of the insured item will be depreciated by 10% per annum for each year of service to a maximum of 70%.

our liability will be the lesser of (c) (i), (c) (ii) or (c) (iii), less the applicable excess.

- (d) The value of any salvage will be subtracted from the amount payable under this clause. For each claim under this section you will have to pay an excess
- (e) If more than one Insured Item is lost or damaged in one occurrence, we will apply only the highest of the excess applicable to such insured items.
- (f) The amount we pay for each claim otherwise payable will be reduced by the amount of this excess shown in the Policy Schedule.

Exclusions which apply to this section

This section does not cover:

1. insured damage to electronic data and electronic data media unless you have computers insured
2. insured damage caused by atmospheric conditions, moisture or changes in temperature unless directly resulting from damage to or malfunction of air conditioning equipment, or
3. the cost of:
 - replacement of expendable items such as batteries, valves, x-ray and picture tubes, belts, chains, tapes, cards, ribbons, filters, tubes, electric heating elements or electrical contacts, or

- replacement of component parts worn through normal use or operation

unless necessary as part of the rectification of insured damage which is not otherwise excluded under this section.

4. the cost of:
 - (a) maintenance work
 - (b) alterations, additions, improvements or overhauls whether carried out in the course of repairs covered by this Policy or as a separate operation
 - (c) replacement or repair following gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation)
 - (d) temporary repairs unless they constitute part of the final repairs and do not increase the total repair costs
 - (e) repairs of scratches to painted or polished surfaces or
 - (f) anything to the extent you are entitled to recover the costs of labour or parts under a maintenance agreement, warranty, guarantee or indemnity in your favour by the manufacturer of the relevant insured item or any other person.
5. loss or damage caused by software viruses or other disruptive programming techniques
6. consequential loss of any kind or description whatsoever, subject to any extension selected by you.

Special conditions which apply to this section

This insurance only applies after completion of successful initial commissioning. There are also general conditions which apply to all sections of this Policy.

Electronic data and electronic data media – Extension 1

If you have chosen this cover it will be shown on your Policy Schedule.

Scope of cover

We will indemnify you for insured damage to the electronic data and electronic data media caused solely as the result of insured damage to the computer which is specified in the Policy Schedule.

Basis of settlement

We will pay you for such insured damage up to the sum insured less the applicable excess specified in the Policy Schedule including:

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

And provided:

- (c) We will only be liable for costs and expenses incurred within a period of twelve 12 months following the insured damage within the period of insurance
- (d) This extension only applies while the insured electronic data media is:
 - (i) at the location
 - (ii) at a media storage location or
 - (iii) temporarily at an alternative location for processing purposes or in transit between any of these locations
- (e) The amount of each claim otherwise payable will be reduced by the amount of the excess shown in the Policy Schedule. For each claim you make under this section you will have to pay an excess.

Exclusions – applying to this Extension 1

The exclusions contained in this Electronic Equipment section also apply to this extension. There are also general exclusions which apply to all sections of the Policy which you must read.

We will not pay for:

- (a) loss or distortion of electronic data contained on the electronic data media while mounted in or on any machine for use of processing unless such loss or distortion occurs:
 - (i) at the location due to insured damage to an insured computer which is specified in the Policy Schedule or
 - (ii) at another location temporarily for processing purposes due to insured damage to the insured computer which would not be covered if the insured computer were insured under this section
- (b) loss or distortion caused by computer virus being an executable programme or computer code segment that is self-replicating, requires a host programme or executable disc segment in which it can be contained and which destroys or alters the host programme or other computer code or data causing undesired programme or computer system operation
- (c) wasting or wearing away or wearing out caused by or naturally resulting from ordinary use or working or gradual deterioration
- (d) loss or damage caused by atmospheric conditions, moisture or changes in temperature unless directly resulting from damage to air-conditioning equipment which would not be covered if the equipment were insured under this section
- (e) consequential loss of any kind or description whatsoever
- (f) work undertaken without our approval other than for minor temporary or provisional repairs. There is no cover under this extension with respect to any insured item which has been operated without being satisfactorily repaired following insured damage.

Special condition – applying to Extension 1

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

Increased cost of working – Extension 2

If you have chosen this cover it will be shown on your Policy Schedule.

(a) Scope of Cover

- We will indemnify you as set out in (b) below up to the sum insured for any additional costs of operating your business directly resulting from interruption or interference to your business as defined in the Policy Schedule but only if:
 - the interruption or interference is as a result of insured damage to the insured computer which is specified in the Policy Schedule and
 - the interruption or interference is caused solely as a result of insured damage.
- We will deduct from the amount payable by us any sum saved during the period of the interruption in respect of charges and expenses of the business which may cease or be reduced as a result of the insured damage, including any such savings occurring by reason of the interruption of the normal operation of the electronic operation of the data processing system.

(b) Basis of settlement

- (i) We will pay you for the additional expenditure incurred over and above the normal expenses which would have been incurred by you for the operation of your insured computer by the use of substitute equipment to maintain normal business operation during the interruption up to the sum insured specified in the Policy Schedule, less the applicable excess including:
 - the actual hire charges incurred for the rental of substitute equipment and
 - the cost of additional personnel and transport expenses incurred with the use of the substitute equipment.
- (ii) The indemnity period and the time excess will commence upon the commencement of use of a substitute insured computer.
- (iii) We will be liable for additional expenditure incurred during the actual period of the interruption but not exceeding the period specified in the Policy Schedule as the indemnity period.
- (iv) The total of all claims payable under this extension during the period of insurance will not exceed the aggregate of the sum insured stated in the Policy Schedule.
- (v) We will not be liable for loss, damage or costs incurred by you during the time excess.
- (vi) The amount we pay for each claim will be reduced by the amount of the excess shown in the Policy Schedule. For each claim you make under this section you will have to pay an excess.

Exclusions – applying to this extension 2

The exclusions contained in this Electronic Equipment section also apply to this extension. There are also general exclusions which apply to all sections of the Policy which you must read.

We will not pay for:

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

Special condition

For the purpose of this increased cost of working only, exclusion 4 (f) in this section does not apply.

Special exclusions which apply to this section

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

1. fire, smoke or soot
2. extinguishing a fire including subsequent demolition or repair work
3. lightning
4. chemical explosion (other than explosion of flue gas in boilers)
5. impact of landborne vehicles, aircraft or waterborne craft
6. earthquake, subterranean fire or volcanic eruption
7. landslip or subsidence
8. storm, tempest, flood, windstorm or cyclone
9. water escaping, discharged or leaking from any source which is external to the plant and machinery insured
10. theft or attempted theft or
11. intentional or malicious damage.

Special conditions which apply to this section

There are also general conditions which apply to all sections of this Policy.

In addition to complying with those general conditions.

- On the happening of any occurrence which might give rise to a claim under this section you must:

- (a) take all reasonable steps to minimise the extent of the loss
- (b) preserve any damaged or defective plant or items and make them available to us for inspection

Our liability will cease for any plant which has sustained damage and is operated without having been repaired in a manner consistent with the generally accepted rules of engineering practice.

- Newly installed items

At the end of each period of insurance you will furnish us with details of any items newly installed or which have been deleted during the period of insurance. Additional or return premiums will be calculated corresponding to the type and value of the items and the period of insurance from the time of completion of the successful commissioning of the items. Provided that our liability for all additional items will not exceed 50% of the total sum insured or limit of liability as stated in the Policy Schedule.

- Inspection

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

Section B7: General Property

This section insures the items you select against loss or damage anywhere in Australia.

You can choose one of two types of cover:

Cover 1 insures certain limited types of damage.

Cover 2 insures any type of accidental loss or damage whatsoever.

If you have chosen cover under this section, the type of cover you have chosen will be shown in the Policy Schedule.

What we insure

This section insures the items you have chosen to insure against:

- (a) loss or damage in the circumstances provided for in the cover option that you have chosen
- (b) which occurs anywhere in Australia
- (c) during the period of insurance.

The items that you have chosen to insure will be shown in the Policy Schedule

Cover options

You may choose to insure your property in one of the following ways:

Cover 1 – Fire, Theft and Collision

If you choose this option, we insure the items you have chosen for loss or damage caused by:

- (a) fire, lightning, explosion, malicious damage or vandalism

- (b) theft following forcible and violent entry to a locked vehicle or premises which causes visible damage to such locked vehicle or premises
- (c) theft of equipment attached to a vehicle by locks or padlocks if visible damage occurred to the securing devices during the theft, or
- (d) collision or overturning of any vehicle in which they are being conveyed.

Cover 2 – Accidental Loss or Damage

If you choose this option, we insure the items you have chosen against any sudden accidental physical loss or damage which includes all insured events provided by Cover 1 above.

The cover you have chosen is shown in the Policy Schedule.

Definitions which apply to this section

‘Artificial insemination flasks/tanks’ means any receptacle designed for storage on the farm and transit of semen in ampoules or straws when liquid nitrogen is used as the refrigerant.

‘Mobile communication equipment’ means any electronic equipment used for the transmission and reception of radio signals. It includes CB radios, UHF radios and mobile telephones.

‘Semen’ means any fluid of a male animal which contains spermatozoa in suspension and which is to be used for the artificial insemination of breeding stock.

What we will pay

At our option, we may replace the lost or damaged item or pay the lesser of its replacement cost or the current market value.

However if only part of the item is damaged, we will only pay for that part plus the cost of any necessary dismantling and reassembling.

We will pay the replacement cost of mobile communication equipment.

The maximum amount we will pay

We will not pay any more for any item you have chosen to insure than the sum insured shown in the Policy Schedule for that item.

Excess

For each claim made under this section you must pay an excess. The amount of the excess will be shown on your Policy Schedule.

Exclusions which apply to this section

1. We will not pay for loss or damage directly or indirectly caused by:
 - (a) mechanical, electronic or electrical breakdown or derangement unless it occurs as a consequence of an accident
 - (b) cracking, scratching or breakage of glass or fragile items or surfaces unless it occurs as a consequence of an accident
 - (c) rust, oxidation, mildew, mould, moths, vermin, insects, change of colour, or any process of heating, drying, cleaning, dyeing or alteration

(d) the action of light or atmospheric conditions or gradually developing conditions, vibration, wear, tear and/or depreciation

(e) dishonesty by you or others to whom items insured under this section are delivered, entrusted, loaned or rented

(f) action of the sea, tidal wave, high water or flood.

2. We will not pay for loss or damage during transit of artificial insemination flasks/tanks by sea or by air or when carried under contract unless they are secured in a frame designed to minimise the risk of overturning

3. We will not pay for loss or damage to semen which arises from:

(a) any rise in temperature which is due to your negligent failure to maintain the supply of liquid nitrogen or inability to obtain supplies of liquid nitrogen, or

(b) the handling of any individual ampoules or straws.

4. We will not pay for:

(a) any alteration, improvements or overhaul of any item, even if it occurs during repair or replacement following loss or damage which is insured under this section

(b) any consequential loss or damage

(c) theft in the open air

(d) theft from a building or vehicle unless:

- the building or vehicle was securely locked, and
- the theft follows forcible and violent entry which is evidenced by visible damage to the building, vehicle or their securing devices.

(e) money

(f) documents, manuscripts, patterns, models, moulds, plans, designs unless they are shown in the Policy Schedule

(g) loss, destruction or damage caused by or arising while the vehicle conveying the item is engaged in racing, pace making, reliability trials or speed testing or is carrying any load in excess of that for which it was designed or constructed.

Section B8: Transit

This section covers you for loss or damage caused by fire, flood, collision or overturning of the conveying vehicle to any goods that you ask us to insure while they are in transit. It does not cover all loss and damage.

It covers the lesser of the replacement cost and the market value.

If you have chosen this cover it will be shown on your Policy Schedule.

Definition which apply to this section

‘Conveying vehicle’ means a road vehicle owned by you or in the control of you or your employee.

What we insure

Under this section we insure death of livestock and loss or damage to farm property that you choose to insure:

- (a) while they are in transit
- (b) caused by:
 - fire
 - flood, or
 - collision or overturning of the conveying vehicle
- (c) which occurs anywhere in Australia
- (d) during the period of insurance.

What we will pay

At our option, we may pay the lesser of the sum insured or the market value of the livestock, or farm property.

With regard to livestock, we will also pay:

- (a) the cost of any destruction which is necessary for humane reasons, and
- (b) the reasonable costs of herding or temporary storage of any livestock to prevent straying after the loss or damage.

The maximum amount we will pay

We will not pay any more than the sum insured shown in the Policy Schedule for all claims under this section.

We will not pay more than 20% of the sum insured in respect of any one animal unless it is more specifically insured.

Excess

For each claim you make under this section you will have to pay an excess. The amount of the excess is shown in the Policy Schedule.

Exclusions which apply to this section

We will not pay for loss or damage which is directly or indirectly caused by:

1. mechanical, electronic or electrical breakdown or derangement unless it occurs as a result of an accident
2. cracking, chipping, denting, marring, scratching or breakage of glass or fragile items or surfaces unless it occurs as a result of an accident to the conveying vehicle
3. rust, oxidation, mildew, mould, moths, vermin, insects, change of colour
4. the action of light or atmospheric conditions, vibration, wear, tear and/or depreciation
5. the use of insufficient or unsuitable packing materials
6. action of the sea, tidal wave.

We will not insure transit of artificial insemination flasks/tanks:

1. unless they are secured in a suitable frame designed to minimise the risk of overturning
2. by sea or by air, or
3. when carried under contract

We will not pay for:

1. any alteration, improvement or overhaul of any item, even if it occurs during repair or replacement following loss or damage which is insured by this section
2. any consequential loss or damage
3. theft in the open air
4. theft from a building or vehicle unless:
 - (a) the building or vehicle was securely locked, and
 - (b) the theft follows forcible and violent entry which is demonstrated by visible damage to the building, vehicle or their securing devices.
5. money
6. documents, manuscripts, patterns, models, moulds, plans, designs, unless they are shown in the Policy Schedule
7. loss, destruction or damage caused by or arising while the conveying vehicle is engaged in racing, pace making, reliability trials or speed testing or is conveying any load in excess of the load for which it was designed
8. any loss or damage to items which are being carried under contract or which are not related to your farm business
9. deer, ostrich or alpaca
10. home contents.

Section B9: Theft

This section covers you against the theft of farm contents, farm produce and hay as well as damage to farm buildings during the course of theft.

If you have chosen this cover it will be shown on your Policy Schedule.

What we insure

Under this section we insure loss of or damage to farm contents, farm produce, hay and damage to farm buildings:

- (a) which occurs as a result of theft or attempt at theft
- (b) at the farm
- (c) during the period of insurance.

What we will pay

- (a) Lost or damaged property

We will pay the indemnity value of the stolen or damaged property.

At our option we may reinstate, replace or repair the property.

If only part of the property is damaged, we will only pay for that part plus the cost of any necessary dismantling and reassembling.

- (b) Temporary protection

Provided that the sum insured for this section is not exhausted, we will pay for the cost of temporary repairs to the farm buildings following loss or damage insured by this section for the purpose of securing the premises and safeguarding property from further loss.

Additional benefits

Contents in auctioneer's store

We will also pay for theft of farm contents from an auctioneer's store following actual violent and forcible entry into that store, if the farm contents:

- (a) are still owned by you, and
- (b) have not been sold by the auctioneer at the time of the theft.

Replacement of locks

In addition to the sum insured, we will pay up to \$2,000 for:

- (a) the cost of recoding or replacing locks which are damaged or when keys belonging to them are stolen in the course of a theft, or
- (b) the cost of replacing the keys which are stolen in the course of a theft.

We will only pay for:

- (a) locks which secure external doors, windows and other external openings of the farm buildings
- (b) the cost of locks of similar type and quality.

The maximum amount we will pay

Unless we specifically agree to pay an amount in addition to the sum insured, we will not pay any more than the sum(s) insured set out in the Policy Schedule for each of the items of property which are insured by this section.

Excess

For each claim you make under this section you must pay an excess. The amount of this excess is shown on your Policy Schedule.

Exclusions which apply to this section

We will not pay for:

1. theft or attempted theft committed by:
 - (a) you or your family
 - (b) residents, paying guests, or visitors to the farm
 - (c) your employees, unless theft is a direct result of forcible and violent entry into a building or
 - (d) contractors, sub contractors or any other person while lawfully on the farm.
2. theft or attempted theft of:
 - (a) trees, shrubs, growing crops and other growing plants
 - (b) money, or loss resulting from the dishonouring of a cheque or negotiable instrument which was given to you in connection with the farm
 - (c) home contents
 - (d) motor vehicles, trailers, motor cycles, mobile farm machinery, aircraft, watercraft or any of their accessories unless specified in the Policy Schedule
 - (e) pets, animals, birds or fish, reptiles or insects.

3. loss due to unexplained shortages or resulting from clerical or accounting errors or shortages in the supply of materials
4. loss or damage resulting from or as a consequence of any fire
5. loss or damage arising during or as a result of earthquake, subterranean fire, riot or civil commotion.

Section B10: Business Interruption

This section covers you for some nominated financial losses which arise from your farm activities. You can choose one or more of the following optional types of cover:

Cover 1. is for loss of weekly income.

Cover 2. is for the additional cost of working.

Cover 3. is for agistment and fodder replacement following fire.

Cover 4. is for tax audit costs.

Cover 5. is for legal expenses.

You can only choose either Cover 1 or Cover 2, but not both.

If you have chosen this cover, the types of cover(s) you have chosen will be shown in your Policy Schedule.

We also provide some additional benefits. Depending on which Cover option you choose, you are automatically entitled to these benefits.

What we insure

This section insures:

- (a) nominated financial losses arising from the farm business
- (b) which occur during the indemnity period, and
- (c) in the case of covers 1-3, which result directly from loss or damage to any property which is insured under this Policy and for which you would have been entitled to indemnity (if no excess had applied) under the farm property section.

Definitions which apply to this section

'Accountant' means an accountant appointed by agreement between you and us or, if we cannot agree, nominated by the President of the Institute of Chartered Accountants in Australia.

'Accountant' does not mean any accountant employed by you.

'Indemnity Period' begins when loss or damage occurs and ends on the earlier of the following:

- the expiry of the period listed in the Policy Schedule, or
- when the farm income ceases to be affected as a result of loss or damage.

'Standard Weekly Income' means

The average weekly amount paid or payable to you for goods sold, services rendered or for rental received or payable in the operation of the farm (adjusted to reflect the trend in farm income and any other relevant circumstances) during the lesser of:

- the 52 weeks immediately before the loss or damage occurs, or
- the period the farm has been in operation.

What we will pay

If you have chosen the relevant cover, we will pay the amounts set out below:

Cover 1 – Weekly Income

If you have chosen to insure weekly income and the loss or damage affects the farm income for more than one week each week during the indemnity period we will pay you the standard weekly income, less the actual income you earn that week.

We will also pay the following:

- (a) claim preparation costs

In addition to the sum insured for weekly income, we will pay the greater of \$5,000 or the amount shown in the Policy Schedule for the professional fees and other expenses that you reasonably and necessarily incur with our consent in the preparation of your claim under the business interruption section of this Policy.

We will not pay under this cover if those expenses are otherwise insured by this Policy.

- (b) Electronic equipment

Provided that the sum insured for weekly income is not exhausted, we will pay up to 20% of that sum insured for loss of farm income during the indemnity period as a result of loss or damage to electronic equipment for which you are entitled to indemnity under cover 1 in the electronic equipment section.

For the purposes of this clause, the indemnity period will start on the date of loss of or damage to the electronic equipment.

Cover 2 – Additional cost of working

If you have chosen to insure the additional cost of working, we will pay the additional expenditure you reasonably incur to minimise the effect of loss or damage for which you are entitled to indemnity under the farm property section or any other Policy which provides similar cover on the farm income during the indemnity period.

We will not pay any more than the sum insured for additional cost of working, or additional expenditure which is insured under any other cover option in this section.

We will also pay the following:

- (a) claim preparation costs.

In addition to the sum insured for additional cost of working, we will pay the greater of \$5,000 or the amount shown in the Policy Schedule for the professional fees and other expenses that you reasonably and necessarily incur with our consent in the preparation of your claim under the farm property and business interruption sections of this Policy.

We will not pay under this cover if those expenses are otherwise insured by this Policy.

Cover 3 – Agistment and fodder replacement

If your pastures are destroyed by fire and you are not able to feed your livestock and you have chosen to insure agistment and fodder replacement, we will pay you the additional reasonable costs you incur to:

- graze your livestock insured under the livestock section within a 1,000 kilometre radius of your farm, or
- purchase additional fodder for the purpose of feeding your livestock.

We will not pay:

- for any costs incurred as a result of any fire which you, any member of your family, any of your employees or any person acting on your behalf deliberately start, or
- any more than the sum insured for agistment and fodder replacement which is shown in the Policy Schedule.

Cover 4 – Tax audit expenses

If you have chosen to insure tax audit expenses, we will pay any fees which are reasonably and properly charged by an accountant in connection with a tax audit of your farm affairs which is conducted on behalf of the federal commissioner of taxation.

We will not pay:

- (a) if the audit relates to a tax return for a financial year that ended more than three years before you received the notice that the audit was to take place
- (b) if you did not receive the first notification of a proposed audit from the Australian taxation office within the period of insurance
- (c) for fees in connection with any audit which you knew was to take place prior to the inception of this cover option
- (d) for fees incurred in connection with any prosecution which arises from the audit
- (e) for fees for any work performed in connection with preparation of tax returns not previously submitted to the Australian tax office
- (f) any fines, penalties, interest or adjustments to tax payable as a result of the audit
- (g) any more than the sum insured for tax audit expenses which is shown in the Policy Schedule.

When you notify us of any such circumstances, we will insure you under this Policy for any subsequent tax audit that relates to the circumstances which have been notified to us, even if the audit occurs after the expiry of the period of insurance.

Cover 5 – Legal expenses

If you have chosen to insure legal expenses, we will pay the legal costs you incur in the defence of any civil action brought against you in a court of law in Australia.

We will not pay for any legal costs:

- (a) for any criminal prosecution against you
- (b) which you are entitled to recover from another source
- (c) incurred without our written consent
- (d) for any circumstances which occurred before the period of insurance
- (e) if you are found either wholly or partly liable
- (f) in respect of any appeal.

You must notify us in writing immediately you become aware of any circumstances which may give rise to a claim under this cover option.

When you notify us of any such circumstances, we will insure you under this Policy for any subsequent legal expenses that relate to the circumstances which have been notified to us, even if the legal expenses are incurred after the expiry of the period of insurance.

The maximum amount we will pay

Unless we specifically agree to pay an amount in addition to the sum insured, we will not pay more than the sum(s) insured shown in the Policy Schedule for each of the covers that you have chosen.

We will not pay more than \$5,000 in total for claim preparation costs under covers 1 or 2 unless a higher amount is shown in the Policy Schedule.

Excess

For each claim you make under each of the covers you have chosen to insure you will have to pay an excess. The amount of the excess will be shown on your Policy Schedule.

Conditions which apply to this section

Assistance

As soon as practicable after loss or damage occurs which results in a claim under this section you must:

- provide us with details of the amount of and method of calculation of your claim in writing and certified by an accountant, and
- make available to us all books and records (including computer records) that are reasonably necessary for us to verify your claim.

What you must pay if you make a claim – Excess

Most sections require you to contribute an amount towards your loss or damage. This is known as an excess.

If an excess applies, it will be described in the section to which it applies and/or listed in the Policy Schedule.

For most sections if more than one excess applies to one claim, you need only pay one excess. It will be the higher of the applicable excesses. The Motor section includes two types of excess.

When you are not covered

These exclusions apply to all sections of this Policy

General exclusions applying to this Policy

This Policy excludes loss, damage, destruction, death, 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:

1. War, invasion, acts of foreign enemies, hostilities or war-like 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, or confiscation or nationalisation or requisition or destruction or damage to property by or under the order of any government or public or local authority, or
2. Any act(s) of Terrorism
For the purpose of this exclusion, an act of terrorism includes any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:
 - involves violence against one or more persons, or
 - involves damage to property, or
 - endangers life other than that of the person committing the action, or
 - creates a risk to health or safety of the public or a section of the public, or
 - is designed to interfere with or to disrupt an electronic system.
3. Radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste or action of nuclear fission or fusion.

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

Additional exclusions applying to this Policy

This Policy does not cover:

1. Loss or damage to electronic data.

Notwithstanding anything contained in this Policy or any endorsement attached to it this Policy does not cover Electronic Data. However where cover is otherwise provided by this Policy we will indemnify you for losses to electronic data arising out of fire, lightning, thunderbolt, explosion, implosion, earthquake, subterranean fire, volcanic eruption, impact, aircraft and/or other aerial device and/or articles dropped from them, sonic boom, theft which is a consequence of theft of any computer and/or computer hardware and/or firmware and/or microchip and/or integrated circuit and/or similar device containing such electronic data, breakage of glass, the acts of persons taking part in riots or civil commotions or of strikers or of locked out workers or of persons taking part in labour disturbances which do not assume the proportions of or amount to an uprising, storm and/or tempest and/or rainwater and/or wind and/or hail, water and/or other liquids and/or substances discharged and/or overflowing and/or leaking from any apparatus and/or appliance and/or pipes.

For the purposes of this exclusion 'Electronic data' means any facts, concepts and/or information converted to a form usable for communications and/or displays and/or distribution and or processing by electronic and/or electromechanical data processing and/or electronically controlled equipment which includes but is not limited to programs and/or software and/or other coded instructions for such equipment.

2. any cost unless it is specifically listed in the Policy
3. replacement of undamaged property
4. any claim which arises from any deliberate act committed by you or your family or by any person acting for you or with your express or implied consent
5. claims which arise out of venereal disease, herpes, acquired immune deficiency syndrome (AIDS) or other communicable disease
6. punitive damages, exemplary damages, aggravated damages and any additional damages resulting from the multiplication of compensatory damages
7. fines, or penalties, or liquidated damages.

Special clauses

Only those clauses that are shown on the Policy Schedule will apply.

General conditions

These general conditions apply to all sections of this Policy

Changing your Policy

If you want to make a change to this Policy, the change becomes effective when:

- we agree to it, and
- we give you a new Policy Schedule detailing the change.

Other interests

You must not transfer any interests in this Policy without our written consent.

Any person whose interests you have told us about and we have noted on your Policy Schedule is bound by the terms of this Policy.

Cancelling your Policy

How you may cancel this Policy

- You may cancel this Policy or any section of it at any time by telling us in writing that you want to cancel it.
- Where 'you' involves more than one person, we will only cancel the Policy or any section of it when a written agreement to cancel the Policy or any section of it is received from all persons named as the insured.

How we may cancel this Policy

- We may cancel this Policy or any section of it in any of the circumstances permitted by law by informing you in writing.
- We will give you this notice in person or send it to your address last known to us.

The premium

We will refund to you the proportion of the premium for the remaining period of insurance.

When the premium is subject to adjustment, even if the Policy is cancelled, you must still supply us with the information we need to calculate the premium adjustment, and pay the adjusted premium up to the date of cancellation.

Notices

Any notice we give you will be in writing, and it will be effective:

- if it is delivered to you personally, or
- if it is delivered or posted to your address last known to us.

It is important for you to tell us of any change of address as soon as possible.

Alteration of risk

You must tell us about any change in the nature of the risk which occurs during the period of insurance and which increases our risk.

If you fail to do so, we may cancel this Policy.

You must tell us

You must tell us as soon as possible in writing of:

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

Unoccupied farms

If you intend to leave the farm or any home buildings unoccupied for more than 60 consecutive days, you must obtain our agreement in writing to continue the cover on those buildings.

If you do not do so, we will only pay for loss or damage caused by lightning, thunderbolt, earthquake for the period in excess of 60 consecutive days during which you have left the buildings unoccupied.

The period of 60 consecutive days is calculated from the date when you last occupied the buildings regardless of the commencement or renewal date of the Policy.

Mortgagee's rights

We may pay all or part of a claim for loss or damage to your Home or to any mortgagee or creditor who is noted in the Policy Schedule.

We will only do this if we agree to pay the claim on a cash basis (ie. make a payment in lieu of paying for the cost of repairs).

We will not pay the mortgagee or creditor more than the amount outstanding under your mortgage or credit arrangement. If this is less than the amount we agreed to pay in settlement of the claim, we will pay you the balance.

Any amount that we pay to a mortgagee or creditor will satisfy our obligation to you for the amount paid.

Claims

Making a claim

You must follow these procedures if something happens which causes loss or damage or injury which may lead to a claim.

If you do not do so, we may refuse your claim or reduce the amount we pay you.

When loss or damage occurs you must:

- (a) take all reasonable steps to reduce the loss or damage and to prevent further damage. If the claim involves your boat you must promptly take all reasonable and responsible precautions to prevent any further loss or damage to your boat including electrical equipment and components which have been submerged and in the case of a motor, the flushing out and oiling of the motor and the drying out of its and all other electrical equipment and components
- (b) immediately report to the Police:
 - if you know or suspect that property has been stolen
 - if someone has broken into your premises
 - if someone has caused malicious damage to your property
 - full details surrounding the circumstances of any motor vehicle accident
- (c) if the loss or damage involves another motor vehicle, obtain the name and address of the other driver and (if different) the name of its owner, and the make, type and registration number and details of the insurance on the other vehicle
- (d) not authorise the repair or replacement of anything without our agreement
- (e) not make any admission of liability, offer, promise or payment in connection with any event
- (f) promptly inform us by telephone or in person
- (g) preserve any damaged property and make it available for inspection by a representative or agent of ours (including a loss adjuster).

If you sustain an injury or illness, you must:

- (a) promptly inform us by telephone, in writing or in person
- (b) submit to examination by a medical practitioner nominated by us. In case of death, your legal representative must permit a post mortem examination of the body to be carried out.

To make a claim you will need to:

- fill in our claim form
- return it to us within 30 days of the event that gave rise to the claim

- give us all information and documentation which we request
If we ask for it, you must provide us with a statutory declaration of the truth of your claim and any matters connected with it, and
- immediately send us any court document or other communication you receive about the claim. Do not take any action yourself or ask anyone else to do so on your behalf.

Proceedings and negotiations

We control all claims that are made against you.

You must give us all information and assistance we need:

- to settle or defend claims, or
- to recover from others any amount we have paid for a claim.

You must allow us:

- to make admissions, settle or defend claims on your behalf, and
- to take legal action in your name against another person to recover any payment we may make in relation to a claim. We will do this at our own expense. You must do everything which we ask to assist us. We may take action before we pay your claim and whether or not you have been fully compensated for your actual loss.

Discharge of our liabilities

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

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

If we do so:

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

Inspection and salvage

You must give us access to your property or make your property available to us for inspection if you make a claim.

You must allow us to take possession of any damaged property and deal with it in a reasonable manner. If we do not take possession of the damaged property, you can not abandon your responsibilities to us for the property.

Excess

You may be requested to pay your excess when you lodge your claim form or before your motor vehicle is released from a repairer. Alternatively we may deduct your excess from our payment to you.

If you suffer damage which leads to a claim under more than one section of this Policy:

- the highest excess is payable, but
- only one excess is payable.

Automatic reinstatement

After we have admitted liability for loss or damage (other than for a total loss under the property section or claims in respect of products liability), we automatically reinstate the sum insured to the amount shown in the Policy Schedule at the time of loss.

If we request an additional premium, you must pay it to us or the cover will be reduced by the amount of the claim settlement.

Other insurances

When you make a claim, you must give us written notice of any other insurance covering the property or legal liability which may also apply to your claim.

Contribution

When a loss paid under this Policy is also recoverable under another policy and we have paid more than our rateable share, we may seek reimbursement from the other insurer or insurers.

What we do

We may take over and conduct the defence or settlement of any claim or issue legal proceedings for damages. If we do this we will do it in your name. We have full discretion in the conduct of any legal proceedings and in the settlement of any claim. You must co-operate by giving us any statements, documents or assistance we require. This may include giving evidence in any legal proceedings.

What can affect a claim

We will reduce the amount of a claim by the excess shown in the Policy Terms and Conditions or on the Policy Schedule.

We may refuse to pay a claim if you are in breach of your Duty of Disclosure or any of the conditions of this Policy, including any endorsements noted on or attached to the Policy Schedule.

We pay only once for loss or damage from the same event covered by this Policy even if it is covered under more than one section of the Policy.

We may be entitled to refuse to pay or to reduce the amount of a claim if:

- it is in any way fraudulent, or
- any fraudulent means or devices are used by you or anyone acting on your behalf to obtain any benefits under this Policy.

