

# S U R A COMMERCIAL

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# HOW TO MAKE A CLAIM

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## COVERAGE

This **SURA Commercial** Insurance Protection provides **coverage** to the **insured** on the terms of the **policy**.

Words used in this **policy** that appear in bold have special meanings described in Definitions.

## CERTIFICATE

A numbered Certificate will be issued by **SURA Commercial** confirming the extent of **cover** and setting out information specific to the **Insured**.

Words used in this policy that appear in **blue** (other than when used as a heading) have relevant values or time periods stated in the Certificate.

## HOW TO MAKE A CLAIM

The **Insured** must as soon as possible give **SURA Commercial** notice of every **event** or **occurrence** that may result in a claim under this policy. The **Insured** must then:

- cooperate fully with **SURA Commercial** in claim settlement;
- provide **SURA Commercial** with all documentation requested in conjunction with the claim including information about any **double insurance**;
- immediately send **SURA Commercial** any court documents together with relevant information which may result in a claim under this **policy**;
- on **SURA Commercial's** request, attend hearings and trials and assist in effecting settlements, securing and giving evidence and obtaining the attendance of witnesses; and
- as far as is within the **Insured's** power cause all persons including **employees** connected with any potential claim, to submit to examination by **SURA Commercial** or its nominee.

The **Insured** must not make any admission of liability, offer, promise or payment in connection with any claim, without **SURA Commercial's** agreement.

The **Insured** must contribute the **excess**.

Additional procedures and conditions affecting claim settlement are shown in the relevant Protection Sections.

## IMPORTANT INFORMATION

### SURA COMMERCIAL

**SURA Commercial** is a Trading Name of SURA Pty Ltd (SURA) ABN 36 115 672 350 AFSL 294313 and has developed this Commercial Insurance Protection Policy which is underwritten by CGU.

**SURA Commercial** has an authority from CGU to arrange, enter into / bind and administer this insurance (including handling and settling claims).

**SURA Commercial's** contact details are:  
Level 14 / 141 Walker Street North Sydney NSW  
PO Box 1813 North Sydney 2059  
Telephone. 02 9930 9500

### CGU

This insurance is underwritten by Insurance Australia Limited ABN 11 000 016 722, AFSL 227681 trading as CGU Insurance (CGU) an authorised Australian insurer, regulated by the Australian Prudential Regulation Authority ('APRA'). CGU Insurance has been providing insurance to Australians for over 160 years and is part of the Insurance Australia Group (IAG).

**CGU contact details are:**  
388 George Street, Sydney, NSW 2000  
Telephone. (02) 8224 4000

You should contact **SURA Commercial** in the first instance in relation to this insurance

### DISCLOSURE

#### INSURED'S DUTY OF DISCLOSURE

Before the **Insured** enters into a contract of general insurance with CGU, the **Insured** has a duty, under the *Insurance Contracts Act 1984 (Cth)*, to disclose to CGU every matter the **Insured** knows, or could reasonably be expected to know, is relevant to CGU's decision whether to accept the risk of insurance and, if so, on what terms. The **Insured** has the same duty to disclose those matters to the insurer before the **Insured** renews, extends, varies or reinstates a contract of general insurance.

The **Insured's** duty however does not require disclosure of a matter:

- that diminishes the risk to be undertaken by CGU;
- that is of common knowledge;
- that CGU knows or, in the ordinary course of its business ought to know;
- as to which compliance with the **Insured's** duty is waived by CGU.

### NON-DISCLOSURE

If the **Insured** fails to comply with the duty of disclosure, CGU may be entitled to reduce its liability under the contract in respect of a claim or may cancel the policy.

If the **Insured's** non-disclosure is fraudulent, CGU may also have the option of avoiding the contract from its beginning.

### DISPUTE RESOLUTION

**SURA Commercial** and CGU view seriously any complaint made about our products or services and will deal with it promptly and fairly. If the **Insured** has a complaint please first try to resolve it by contacting the relevant member of **SURA Commercial's** staff.

If the matter is still not resolved, please then contact **SURA Commercial's** Internal Disputes Resolution Officer on (02)9930 9500 who will seek to resolve the matter in accordance with the General Insurance Code of Practice and our Dispute Resolution procedures. The **Insured** can contact **SURA Commercial** for more information on these procedures.

If the **Insured** is not satisfied with the Internal Dispute Resolution Officer's decision, the **Insured** may contact the Financial Ombudsman Service; a free independent external disputes resolution service provided to customers to review and resolve complaints where **SURA Commercial** has been unable to satisfy the **Insured's** concerns.

For details visit [www.fos.org.au](http://www.fos.org.au) or contact them at:

**The Financial Ombudsman Service**  
PO Box 3  
Melbourne, VIC, 3001  
Telephone. 1300 78 08 08  
Email. [info@fos.org.au](mailto:info@fos.org.au)

### PRIVACY

In this Privacy Statement the use of "**we**", "**our**" or "**us**" means **SURA Commercial** and CGU unless specified otherwise. "**you**" or "**your**" means the **Insured**.

In this Privacy Statement the use of "personal information" includes sensitive information.

**SURA Commercial** and CGU are committed to protecting the privacy of the personal information you provide to **us**.

The *Privacy Act 1988 (Cth)* contains the Australian Privacy Principles which require **us** to tell **you** that **we** collect, handle, store and disclose **your** personal and sensitive information for the specific purpose of:

- deciding whether to issue a policy;
- determining the terms and conditions of **your** Policy;
- compiling data to help develop and identify other products and services that may interest clients, and
- handling claims.
- Personal information is information or an opinion about an identified individual, or an individual who is reasonably identifiable: whether the information or opinion is true or not;
- whether the information or opinion is recorded in a material form or not.

Sensitive information includes, amongst other things, information about an individual's racial or ethnic origin, political opinions, membership of a political organisation, religious beliefs or affiliations, philosophical beliefs, membership of a professional or trade association, membership of a trade union, sexual orientation or practices, criminal record, health information about an individual, genetic information, biometric information or templates.

**You** have given **us** **your** consent to collect, use and disclose **your** personal and sensitive information in order to provide **you** with the relevant services and/or products.

When **you** give **us** personal information about other individuals, **we** rely on **you** to have made or make the individual aware that **you** will or may provide their personal information to **us** and the types of other parties and service providers **we** may provide it to, the relevant purposes **we** and the other parties and service providers will use it for, and how they can access it. If **you** have not done or will not do either of these things, you must tell **us** before you provide the relevant personal information to **us**.

**We** disclose personal information to other parties and service providers whom **we** believe are necessary to assist **us** and them in providing the relevant services and/or products. For example, in handling claims, **we** may have to disclose **your** personal and other information to other parties and service providers such as our claim management partner, other insurers, reinsurers, loss adjusters, external claims data collectors, investigators and agents, facilitators, assessors or other parties as required by law. **We** limit the use and disclosure of any personal information provided by **us** to them to the specific purpose for which **we** supplied it.

**We** may disclose **your** personal information to **our** insurers, reinsurers, related entities and service providers overseas, including but not limited to New Zealand, Singapore, United Kingdom, the Philippines, the European Union and the United States of America.

If **you** do not provide the personal information requested and/or do not provide **us** with **your** consent to the use and disclosure of **your** personal information as set out in this Privacy Statement, **your** insurance application may not be accepted, or **we** may not be able to administer **your** Policy, or **you** may be in breach of **your** duty of disclosure, the consequences of which are set out under the heading Disclosure in this document.

If **you** would like a copy of **our** Privacy Policies, would like to seek access to or correct **your** personal information, opt out of receiving materials **we** send, complain about a breach of **our** privacy or **you** have any query on how **your** personal information is collected or used, or any other query relating to our Privacy Policies, please contact **us**.

## SUBROGATION

If the **Insured** has entered into an agreement with another party (other than the ordinary bills of lading used by common carriers) that prevents **SURA Commercial** from taking recovery action against that party, it may affect the **Insured's** rights to **coverage** under this policy.

## UNDER INSURANCE

It is the **Insured's** responsibility to ensure the adequacy of values reported to **SURA Commercial** to reinstate the **property**. If this is not done **coverage** may be insufficient and the **Insured** may not be covered for a total loss.

The **Insured** should re-assess the adequacy of values and relevant **limits** both during the **policy period** and prior to renewal of this **policy** to ensure they are adequate.

## CODE OF PRACTICE

**SURA Commercial** and CGU proudly support the General Insurance Code of Practice. The purpose of the Code is to raise the standards of practice and service in the general insurance industry.

The Code aims to improve:

- the quality, comprehension and accuracy of policy documents and other information provided to consumers;
- employee and agent training and supervision;
- claims handling and dispute resolution.

For further information relating to the Code, please visit [www.codeofpractice.com.au](http://www.codeofpractice.com.au) or alternatively the **Insured** can request a brochure on the Code from **SURA Commercial**.

# ASSET PROTECTION

## WHAT'S COVERED

This Asset Protection insurance **covers property** against physical loss or damage occurring during the **policy period**.

**Coverage** is provided at **insured locations** and **in transit** up to the relevant **limits**.

### FLOOD

**Cover** includes within the **location limits** physical loss or damage to **property** as a result of flood at **insured locations** designated as **covered** for **flood**.

Cover is provided up to the **flood limit** which applies:

- on a combined basis for both Asset Protection and Business Income Protection (if covered); and
- per **event** and in the aggregate for the **policy period**.

Specific **flood excesses** apply.

### THEFT

**Cover** includes within the **location limits** physical loss or damage to **property** as a result of **theft** up to the **theft limit**.

Specific **theft excesses** apply.

### SPECIAL ASSETS

**Cover** includes within the **location limits** physical loss or damage to **special assets** up to the **special assets limits**.

Specific **special assets excesses** apply.

### ACQUIRED PROPERTY

**Cover** (other than for **flood**) includes physical loss or damage to newly acquired **property** located in Australia up to the **acquired property limit**. Provided acquisitions are notified to **SURA Commercial** within the **notification period**.

### CAPITAL ADDITIONS

**Cover** includes in addition to the **location limits** physical loss or damage to capital alterations and additions to **property** (other than **stock**) up to the **capital additions limit**.

## PROPERTY PROTECTION

**Cover** includes in addition to the **location limits** expenses incurred to prevent imminent damage to **property** from **covered** loss or damage up to the **property protection limit**.

### POST LOSS EXPENSES

When **covered** loss or damage occurs **cover** includes, in addition to the **location limit**, expenses incurred by the **Insured** for:

- fire brigade and emergency services charges;
- **debris removal**;
- fees payable in respect of the discharge of financial encumbrances on **property**;
- fees payable for approvals by statutory authorities; and
- **claims preparation expenses** under Asset Protection.

**Cover** is provided up to the Asset Protection **post loss expenses limit**.

The Asset Protection **post loss expenses limit** is increased by the amount specified in the Certificate if the cleanup of **pollutants** is required.

## WHAT'S NOT COVERED

**SURA Commercial** will not be liable for the costs to rectify:

- wear and tear, gradual deterioration or for maintenance of **property**;
- inherent or latent defects, defective materials or faulty workmanship;
- **breakdown of equipment** (this exclusion will not apply where **breakdown of equipment coverage** is shown as included on the Certificate);
- **destruction or distortion of electronic data**;
- error or omission in design, plan or specification or failure of design;
- gradual subsidence, settling, seepage, shrinkage or expansion in **buildings** or foundations, pavements, roads and other civil engineering improvement;
- normal atmospheric oxidation or corrosion, mildew, mould or fungi, infestation or any other progressively operating cause; or
- damage to **property** in the course of its being processed if such loss or damage is sustained while the **property** is being worked on and results directly from such work,

unless the costs of rectification arise directly out of **covered** loss or damage.

**SURA Commercial** will not be liable for loss or damage arising out of or in connection with:

- wind, rain or hail affecting **property** in the open unless such **property** is designed to operate in the open;
- unexplained or mysterious disappearance or shortage of **contents** discovered at the time of delivery or when taking inventory;
- non-compliance with the requirements of any Statutory Authority;
- fraudulent acts of the **Insured** or their **employees**;
- **pollution** but this exclusion does not apply to **pollution** resulting from an otherwise **covered event**;
- **terrorism** (including any action taken in controlling, preventing, suppressing or responding to **terrorism**), **war** or **government action** regardless of any other cause or **event** contributing concurrently or in sequence to the loss;
- **radioactivity** regardless of any other cause or **event** contributing concurrently or in sequence to the loss;
- **flood** or action by the sea, tidal wave or high water, other than caused by a seismic disturbance – unless such loss or damage by **flood** occurs at an **insured location** designated as **covered for flood**; or
- consequential loss of any kind except as may be provided under Business Income Protection.

### WHAT TO DO WHEN A LOSS OCCURS

The **Insured's** obligations under How to Make a Claim apply to Asset Protection.

In addition, when loss or damage that may be covered under this Asset Protection insurance occurs, the **Insured** must:

- take reasonable steps to reduce the loss or damage and to protect the **property** from further damage, including temporary repairs when necessary. **SURA Commercial** will pay reasonable expenses so incurred;
- immediately make a report to the police if the **Insured** knows or suspects that someone has broken into their **premises** or if **property** has been stolen or maliciously damaged;
- not authorise the repair or replacement of **property** without **SURA Commercial's** agreement;
- provide **SURA Commercial** or their representatives with access to premises or make them available for inspection; and
- if requested allow **SURA Commercial** to take possession of any damaged **property** and deal with it in a reasonable manner. If **SURA Commercial** does not take possession of damaged **property** the **Insured** cannot abandon their responsibilities for the property.

### HOW CLAIMS ARE SETTLED

**SURA Commercial** will make payments to the **Insured** or to others with the authority of the **Insured** to settle **covered** claims.

For **covered** claims **SURA Commercial** will also make periodic progress payments for amounts agreed with the **Insured**.

In the event loss or damage (at other than **unnamed locations**) exceeds 10% of the **location limit** **SURA Commercial** will only be liable for the proportion of loss or damage that the values declared by the **insured** bear to 80% of the amount that would be required to allow **SURA Commercial** to fully indemnify the **insured** in accordance with How Losses are Settled (other than for Building and Safety Laws).

### CLAIM SETTLEMENTS

Claims for **property** (other than **contents** more specifically valued) will be settled at the cost to reinstate the lost or damaged **property**, without deduction for depreciation, if reinstated within a reasonable period of time following a **covered** loss.

- **SURA Commercial's** payment to reinstate **property** will not exceed the amount actually spent by the **Insured** to reinstate the **property** with property of like kind and quality.
- The reinstatement of **property** may be carried out at another site subject to **SURA Commercial's** liability not being increased.
- If original materials, machinery or **equipment** are no longer available, the settlement will be based on the cost of **suitable alternatives**.
- The damaged **property** will be reinstated to a condition equal to, but not better than when new.

Claims for lost or damaged **property** that are not reinstated will be settled at their **indemnity value**.

Claims for lost or damaged **property** that are vacant and awaiting demolition or obsolete will be settled at the **net realisable value**.

## BUILDING AND SAFETY LAWS

If there is a law in effect at the time of loss that regulates the land use, construction or occupancy (including zoning, floor space ratios or workplace safety) of **property**, and that law affects the reinstatement of the damaged **property**, settlement will include:

- the additional costs incurred in reinstating the **property** in compliance with the requirements of any Statutory Authority imposed after the damage in respect of both damaged and undamaged **property**;
- the difference between the estimated costs of reinstatement for a **building** of the same size and the actual costs of reinstatement on a reduced floor space; and
- the difference in land value for no more than the **land value limit** where the requirements of any Statutory Authority imposed after the damage has reduced the land value.

## CONTENTS

**Contents** following a **covered** loss will be settled on the following basis:

- **raw stock** and **merchandise** will be settled based on the replacement cost.
- **stock in process** and **finished stock** will be settled based on the replacement cost of **raw stock** plus the proper proportion of expenses (including labour costs and overhead charges) incurred in reinstatement.
- **finished stock** for which the **Insured** is responsible and for which a Contract of Sale for such stock is cancelled by reason of a **covered** loss will be settled based on the price for such stock specified in the Contract of Sale.
- **contents** settlements will also include the cost of taking inventory and/or identifying damaged **stock** including the cost of replacing labels, capsules, wrappers or containers on damaged **stock** and restocking shelves.

### Sale of Damaged Stock

The **Insured** has two options when the **Insured** or the owner of any **stock** in the **Insured's** care, custody or control does not want to sell damaged **stock** under the **Insured's** or owner's brand or label.

The **Insured** may remove the brand or label and either:

- re-label the **stock** to comply with the law; or
- label the damaged **stock** as "salvage" but in doing so must,
- cause no further damage to the **stock**.

In either case, **SURA Commercial** will pay the difference between the salvage value of the damaged **stock** with the brand or label attached and the salvage value of the damaged **stock** with the brand or label removed.

- **Contents of others** will be settled based on the cost of reinstatement.
- **Business records** if replaced will be settled based on the cost of blank materials and the cost of copying information onto blank materials from a duplicate source on the same type of materials and, if not, replaced based on the cost of blank materials as stationery.
- **Electronic data**, other than prepackaged software programs, if replaced will be settled based on the cost of blank materials and the cost of copying **electronic data** onto the blank materials from the most recent duplicate source on the same type of materials.
- **Fine arts** will be settled based on the cost of restoring the item to a condition substantially the same as before the damage plus any resulting reduction in market value.
- If restoration is not possible settlement will be based on the market value at the time of loss.
- When a damaged article is part of a pair or set, **SURA Commercial** will pay the full amount for the pair or set. The **Insured** will deliver the remaining item of the pair or pieces of the set to **SURA Commercial**.
- **Patterns** will be settled based on the cost of reinstatement and if not reinstated the **indemnity value**.
- **Special assets** will be settled based on the **special assets valuation**.

# BUSINESS INCOME PROTECTION

## WHAT'S COVERED

This Business Income Protection insurance **covers** loss and expense up to the relevant **limits** following a reduction in **income** occurring during the **period of recovery** resulting from an interruption of the **Insured's business**:

- due to **covered** loss or damage to **property** under Asset Protection;
- due to loss or damage at an **insured location** that would be **covered** under Asset Protection:
  - to other **property** not owned but used by the **Insured**;
  - to registered **vehicles** owned or used by the **Insured**; or
- due to loss or damage that would be **covered** under Asset Protection to **property** at or in the vicinity of:
  - **essential services**; or
  - **dependent business premises**,
 provided the period of interruption of the **Insured's business** exceeds the **waiting period**.

## ACCESS PROTECTION

**Cover** is extended to include loss and expense following a reduction in **income** when **access is restricted** to an **insured location** provided the period of restriction exceeds the **waiting period**.

## ACCOUNTS RECEIVABLE

**Cover** includes loss of **accounts receivable** resulting from **covered** loss or damage to **business** records and or **electronic data** up to the **accounts receivable limit**.

## WHAT'S NOT COVERED

**SURA Commercial** is not liable under Business Income Protection for any costs, loss or damage referred to in 'What's not **covered**' under Asset Protection.

## WHAT TO DO WHEN A LOSS OCCURS

The Insured's obligations under 'How to Make a Claim' and 'What to do When a Loss Occurs' in Asset Protection apply to Business Income Protection.

In addition, after any loss or damage which may result in a claim under Business Income Protection the **Insured** must, as soon as possible, provide **SURA Commercial** with:

- details of the extent of the impact of loss or damage on the **Insured's** trading position;
- the **Insured's** assessment of the possible amount of loss and the Settlement Option to be applied to the settlement of the claim;
- relevant information including making available all records necessary for verification of the claim; and

- the name and contact details of the **accountant** who will certify the **Insured's** claims.

The **Insured** must exercise due diligence to minimise the interruption to the **business** by implementing a business rehabilitation plan as required by **SURA Commercial**.

Should the **Insured** fail to promptly take action to rehabilitate the business, the amount of any claim settlement will be reduced taking into account additional loss of income and or expense directly attributable to the delay.

## HOW CLAIMS ARE SETTLED

The **Insured** may select from the following Settlement Options where the **period of recovery** is estimated and agreed by **SURA Commercial** to be within the **simplified settlement period**.

Once a Settlement Option has been selected, that Settlement Option cannot be changed without **SURA Commercial's** consent.

### OPTION 1 – SIMPLIFIED SETTLEMENT

#### Gross Profit

**SURA Commercial** will settle a claim for loss of **gross profit** up to the **gross profit limit** based on:

- the **ratio of gross profit to income** applied to the **reduction in trended income** during the **simplified settlement period**; plus
- expenses incurred for the purpose of diminishing a reduction in **gross profit** but for not more than the reduction thereby avoided.

Claims for loss of **gross profit** under Option 1 – Simplified Settlement will not be adjusted for **expense savings**.

#### Expenses

**SURA Commercial** will also pay for:

- **business recovery expenses**; and
- **claims preparation expenses**;

up to the Income Protection **expense limit**.

#### Progress Payments

Payment for **covered** loss and expense will be made weekly, subject to the supply of relevant information.

Claims will be settled under the Option 2 – Comprehensive Settlement if they extend beyond the **simplified settlement period**.

Any claim payments made under the Option 1 – Simplified Settlement will be offset against the final settlement of the claim under Option 2 – Comprehensive Settlement.

## OPTION 2 – COMPREHENSIVE SETTLEMENT

This Option is for claims where the **Insured** has not selected Option 1 – Simplified Settlement Option or where the **period of recovery** is estimated to or has extended beyond the **simplified settlement period**.

### Gross Profit

**SURA Commercial** will settle a claim for loss of **gross profit** up to the **gross profit limit** based on:

- the amount by which the actual **gross profit** achieved by the **Insured** falls short of the **trended gross profit** during the **period of recovery**; plus
- expenses necessarily incurred for the purpose of diminishing a reduction in **gross profit** but for not more than the reduction thereby avoided.

Claims for loss of **gross profit** under Option 2 – Comprehensive Settlement will be adjusted for **expense savings** during the **period of recovery**.

### Expenses

**SURA Commercial** will also pay for:

- **business recovery expenses**; and
- **claims preparation expenses**;

up to the Income Protection **expense limit**.

### Progress Payments

**SURA Commercial** will make periodic progress payments for amounts agreed with the **Insured** based on either:

- amounts recommended by the loss adjuster (if appointed) or as otherwise agreed by **SURA Commercial**; or
- loss of **gross profit** based on the **ratio of gross profit to income**.

Provided such progress payments are deducted from the final claim settlement.

## SETTLEMENT TERMS

### Contractual obligations

In settling any claim, allowance will be made for the discharge of contractual obligations under the written provisions of a contract due to:

- non-completion, late or incomplete delivery of orders by the **Insured**; and
- breach of any contracts for the purchase of goods or services the **Insured** cannot use during the **period of recovery** less the value of such goods to the **Insured**;

resulting from **covered** loss or damage but not for any liability the **Insured** may incur for exemplary, punitive or aggravated damages but subject to the relevant **limits** not being exceeded.

### Departmental trading

If the business is conducted in departments the independent trading results of which are ascertainable, the cover provided by Income Protection will apply proportionally to each department affected by the interruption to the **Insured's business**.

### Reduced margin

If **income** is maintained at a reduced rate of **gross profit**, allowance is to be made in the claim settlement so that the amount payable for loss of **gross profit** is commensurate with the results that would have been achieved in normal trading had the interruption to the **Insured's business** not occurred.

## ACCOUNTS RECEIVABLE

**SURA Commercial** will pay for loss of **accounts receivable** based on the average monthly amount of receivables for the 12 months immediately preceding the month in which the loss occurred (adjusted for any demonstrated variances in the amount of receivables for the month in which the loss occurred) less:

- any amount the **Insured** is able to re-establish or collect; and
- an amount to allow for bad debts applied at the rate reflected in the 12 months immediately preceding the month in which the loss occurred.

**SURA Commercial** will also pay:

- additional costs incurred by the **Insured** with **SURA Commercial's** consent in establishing the loss of receivables; and
- additional collection costs necessarily incurred that would not have been required if the **Insured's** receivables records had not been lost or damaged.

# CRIME PROTECTION

## WHAT'S COVERED

This Crime Protection insurance **covers money, securities** and other **property** held by the **Insured**. **Cover** is provided up to the **relevant limits**.

## EMPLOYEE THEFT

Cover includes direct loss of **money, securities** and other **property** caused by fraudulent acts of any **employee**, acting alone or in collusion with others, except for any loss arising out of or in connection with:

- the actions of any **employee** if the **Insured** or any responsible officer of the **Insured** has knowledge of any fraudulent acts previously committed by the **employee**; or
- a shortage disclosed on taking inventory or unexplained or mysterious disappearance. This exclusion will not apply to loss the **Insured** can establish, through evidence wholly apart from such inventory, was caused by any fraudulent act of any **employee**.

## MONEY AND SECURITIES

Cover is provided for direct loss of **money** or **securities** caused by actual destruction, disappearance or **theft** but only while inside the **premises** or **banking premises** or while being conveyed by a security company or by an authorised **employee** or director of the **Insured**, except for any loss:

- due to the giving or surrendering of **money** or **securities** in any exchange or purchase;
- due to forgery by persons other than **employees**;
- due to accounting, mathematical or record-keeping errors; or
- to **money** or **securities** while in the custody of any bank, or similar institution of safe deposit.

## WHAT'S NOT COVERED

**SURA Commercial** is not liable for any loss under Crime Protection directly or indirectly arising out of or in connection with:

- reproducing information contained in lost or damaged
- **business records** or **electronic data**;
- **income** not realised by the **Insured** as the result of any **covered** loss;
- trade secrets or other confidential or proprietary information of any kind;
- dealing in **money** or **securities** whether or not in the name of the **Insured** and whether or not in a genuine or fictitious account;
- salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other **employee** benefits earned in the normal course of employment;

- **terrorism** (including any action taken in controlling, preventing, suppressing or responding to **terrorism**), **war**, **government action** regardless of any other cause or **event** contributing concurrently or in sequence with the loss; or
- **radioactivity** regardless of any other cause or **event** contributing concurrently or in sequence to the loss.

## WHAT TO DO WHEN A LOSS OCCURS

The **Insured's** obligations under How to make a Claim apply to this Crime Protection insurance.

In addition, the **Insured** must as soon as possible report any loss caused by illegal acts to the Police.

## INVESTIGATION

The **Insured** must take all practicable steps to establish the existence and amount of any loss, to discover the guilty persons and to recover the loss.

**SURA Commercial** may at its own expense make any investigation it deems necessary. The **Insured** must permit **SURA Commercial** to make such investigation and furnish any explanation and evidence and other assistance that may be reasonably required to investigate, examine and substantiate the claim.

## HOW CLAIMS ARE SETTLED

**Money** will be valued at the amount recorded by the **Insured** or the amount corroborated by reasonable estimates if lost prior to being counted and recorded by the **Insured**.

**Securities** will be valued at the lesser of:

- actual market value of lost, damaged or destroyed **securities** at the close of business on the business day immediately preceding the date on which the loss was discovered; or
- actual cost of replacing the securities.

Other property will be valued at what it would cost the **Insured** to repair or replace the **property** with **property** of like kind and quality at the date of loss.

**SURA Commercial** will pay, as part of the **limits**, reasonable costs incurred by the **Insured**, with the consent of **SURA Commercial**, in establishing any direct loss except for the **Insured's** internal staff cost, being wages, salaries and related costs.

## TERMINATION

Coverage for **employee theft** will terminate in respect of any **employee** immediately on discovery by the **Insured** or a director or responsible officer of the **Insured**, not in collusion with such **employee**, of any fraudulent or dishonest acts by the **employee** without prejudice to loss prior to the date of discovery.

## RECOVERIES

If the **Insured** sustains a **covered** loss which exceeds the **limits**, the **Insured** is entitled to all recoveries of such loss until fully reimbursed less the actual costs of recovery and any sum paid by **SURA Commercial** in respect of such loss. Any sum recovered after such reimbursement must be paid to **SURA Commercial**.

## DISCOVERY OF LOSS

Crime Protection covers losses discovered during the **discovery period**.

The liability of **SURA Commercial** for loss sustained prior to the **policy period** is limited to the amount which would have been recoverable under any insurance in force at the time the loss was sustained, provided that:

- the **Insured** had in effect other insurance which at the time the loss was sustained provided insurance for some or all of loss;
- such prior insurance continued without interruption from the time the loss was sustained until the effective date of this Crime Protection; and
- the loss is discovered after the expiration of the time for discovery of such loss under the last such insurance; and
- the loss was sustained in the 6 months prior to the policy period commencing.

## LIMITS OF LIABILITY

For **employee theft**, the payment of any loss resulting from one **occurrence** will not reduce the per **occurrence limit** for other losses provided that the aggregate liability for any one **policy period** does not exceed the annual (or pro rata portion thereof if the **policy** is issued for more or less than one year) aggregate for the **policy period**.

- For fraudulent or dishonest acts, all loss caused by an **employee** or more than one **employee** acting in collusion, either resulting from a single act or any number of such acts, regardless of when such acts occurred, are to be deemed as one **occurrence**.
- Regardless of the number of years that **employee theft** cover continues in force, the liability of **SURA Commercial** is not cumulative from year to year.
- For **money** and **securities** inside the **premises** or **banking premises**, or while being conveyed, all loss resulting from any one act or series of related acts whether committed by one or more persons is one **occurrence**.

## SECURITY COMPANY

For **money** or **securities** in the custody of any security company, this Crime Protection insurance only covers the amount in excess of the amount recoverable by the **Insured** under:

- the **Insured's** contract, if any, with the security company; or
- any other indemnity carried by the security company for the benefit of users of its services.

# LIABILITY PROTECTION

## WHAT'S COVERED

Under this Liability Protection insurance **SURA Commercial** will indemnify the **Insured** for all sums up to the **liability limit** which the **Insured** becomes legally liable to pay as compensation for:

- **personal injury** and/or **property damage** first happening; and/ or
- **advertising injury** caused by an **advertisement** first published;

during the **policy period** caused by an **occurrence** in connection with the **Insured's business**.

## CROSS LIABILITY

If there is more than one **Insured**, each will be considered as a separate entity and this Liability Protection insurance will apply to the legal liability of one **Insured** to another **Insured** as if a separate **policy** had been issued to each **Insured**.

However, nothing in this extension will result in an increase in the **liability limit** or **liability excess**.

## ADDITIONAL PAYMENTS

With respect to any claims, in respect of which indemnity applies under this Liability Protection insurance, **SURA Commercial**:

- will defend such claim, even if such claim is groundless, false
- or fraudulent; and
- may investigate, negotiate and settle such claim.

**SURA Commercial** agrees to indemnify the **Insured** for **additional payments** in addition to the **liability limit**, provided that if a payment to finalise a claim exceeds the **liability limit**, then **SURA Commercial's** liability to pay **additional payments** will be in the same proportion as the **liability limit** bears to the total compensation paid to finalise such claim.

## MAXIMUM LIABILITY

**SURA Commercial's** maximum liability in respect of all claims arising from any one **occurrence** will not exceed the **liability limit**, except for **additional payments**.

**SURA Commercial's** maximum liability will not exceed the **aggregate liability limit** for any one **policy period** in respect of all claims arising out of or in connection with:

- the **Insured's products**; and/or
- **pollution**.

**SURA Commercial** will not pay any compensation or **additional payments**, or defend any claim, after the **liability limit** has been exhausted by payments under the Liability Protection insurance.

The **liability limit** applies inclusive of **additional payments** for any claims or actions instituted or maintained against any **Insured** or judgment, award or settlement made in the United States of America or Canada (or any order made anywhere to enforce such judgment, award or settlement).

## WHAT'S NOT COVERED

**SURA Commercial** will not be liable under this Liability Protection Insurance for any:

### AIRCRAFT, AIRCRAFT PRODUCTS, WATERCRAFT, HOVERCRAFT

- liability arising out of or in connection with the **Insured's** ownership, possession, maintenance, cleaning, repair, refueling, operation or use of:
  - **aircraft**;
  - **hovercraft**; or
  - **watercraft** that exceed 15 meters in length, except where such **watercraft** is not owned or operated by the **Insured** but used under charter by the **Insured** for business entertainment; or
- liability arising out of or in connection with the **Insured's products** that are either **aircraft** or used with the **Insured's** knowledge as **aircraft** component parts.

### ASBESTOS

liability arising out of or in connection with asbestos fibres or asbestos in any form.

### CONTRACTUAL LIABILITY

- liability assumed by the **Insured** under any agreement, except to the extent such liability:
  - would have attached to the **Insured** in the absence of such agreement;
  - is assumed by the **Insured** under a warranty of fitness or quality, or is implied by law, in respect of the **Insured's products**; or
- liability in respect of which the **Insured** is or would have been entitled to recover damages or seek contribution from another party but for the **Insured's** agreement to release or waive recovery rights against such party for the whole or part of such liability.

However, **cover** applies in respect of such liability, which:

- arises from a provision in a contract for lease of real or personal **property**, other than a provision which obliges the **Insured** to effect insurance over such **property**; or
- is assumed under those agreements specified in the Certificate as a **covered agreement**.

### DEFAMATION, LIBEL & SLANDER

liability arising out of or in connection with the publication or utterance of defamatory or disparaging material and/or statements made:

- prior to the commencement of the **policy period**; or
- with the **Insured's** knowledge that such material and/or statements are false.

### ELECTRONIC DATA

liability arising out of or in connection with:

- communication, display, distribution or publication of **electronic data** provided that this exclusion does not apply to resultant **personal injury** or **advertising injury**;
- total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of **electronic data**;
- any error in creating, amending, entering, deleting or using **electronic data**; or
- total or partial inability or failure to receive, send, access or use **electronic data**.

### EMPLOYER'S LIABILITY

- liability imposed by Workers' Compensation Legislation, Industrial Agreements or Employment Contracts; or
- liability arising out of or in connection with **personal injury** to an **employee** provided that if the **Insured** is required by law to insure or otherwise fund any common law liability for such **personal injury** then this Liability Protection insurance will respond but only to the extent that the **Insured's** liability would not be covered under any such insurance or fund, whether or not the **Insured** has complied with those legal obligations.

### EXPORTS TO THE USA OR CANADA

liability arising out of or in connection with the **Insured's products** knowingly exported by the **Insured** to the United States of America or Canada.

### FINES, PENALTIES, PUNITIVE DAMAGES

liability in respect of:

- fines, penalties and/or liquidated damages; or
- aggravated, punitive or exemplary damages or any additional damages resulting from the multiplication of compensatory damages.

### LOSS OF USE

liability arising out of or in connection with loss of use of tangible **property** which has not been physically damaged or destroyed resulting from:

- a delay in or lack of performance by or on behalf of the **Insured** of any contract or agreement; or
- the failure of **Insured's products** to meet the level of performance, quality, fitness or durability warranted or represented by the **Insured**.

This exclusion does not apply to the loss of use of other tangible property resulting from the sudden, unexpected and unintended physical damage to or destruction of the **Insured's products** after such products have been put to use by any person or organisation other than the **Insured**.

### USA OR CANADIAN JURISDICTION

liability in respect of claims or actions instituted or maintained within the United States of America or Canada or any other territory coming within the jurisdiction of the courts of the United States of America or Canada, or to which the laws of the United States of America or Canada apply.

This exclusion does not apply to claims or actions arising out of or in connection with the temporary presence outside Australia of any **employee** who is normally resident in Australia and who is not performing any manual or supervisory work whilst in the United States of America or Canada or any other territory coming within the jurisdiction of the courts of the United States of America or Canada.

### POLLUTION

liability arising out of or in connection with **pollution**.

This clause does not apply if the **release** of **pollution** arises from a sudden, identifiable, unexpected and unintended happening that takes place in its entirety at a specific time and place and is indemnified in not more than one **policy period**.

### PROPERTY IN CARE CUSTODY OR CONTROL

liability in respect of **property damage** to property in the **Insured's** care, custody or control other than **property damage** to:

- that part of **premises** (including landlord's fixtures and fittings), leased to or temporarily occupied by the **Insured** for the purpose of the **Insured's business** and for which the **Insured** has not assumed responsibility to effect insurance;

- **employees’** property;
- **vehicles** (including any property in or on such **vehicles**) not belonging to or used by the **Insured**, whilst such **vehicles** are in a car park owned or operated by the **Insured**, unless the **Insured** operates the car park for reward; or
- other property which is temporarily in the care, custody, control or possession of the **Insured**, except:
  - that part of any property upon which the **Insured** is or has been working or applying any process or treatment where **property damage** arises solely out of such work, process or treatment;
  - any property in respect of which the **Insured** is obligated to effect insurance cover such property; or
  - any property whilst being transported or carted.

Provided that **SURA Commercial’s** total liability for any one **policy period** does not exceed the **care, custody and control limit**.

#### PRODUCT DEFECT

liability in respect of **property damage** to the **Insured’s products** if the damage is attributable to any defect in them or to their harmful nature or unsuitability.

#### PRODUCT RECALL

- liability arising out of or in connection with any withdrawal, recall, inspection, repair, replacement, removal or disposal of any property containing or incorporating the **Insured’s products**; or
- loss, cost or expense incurred by the **Insured** in relation to any withdrawal, recall, inspection, repair, replacement, removal or disposal of the **Insured’s products**.

#### PROFESSIONAL LIABILITY

liability arising out of or in connection with the rendering of or failure to render professional advice or service by or on behalf of the **Insured** or any related error or omission. Provided that this exclusion does not apply to:

- the rendering of or failure to render professional **medical advice** by medical persons employed by the **Insured** to provide first aid and other medical services to **employees** on the **Insured’s premises** other than **premises** where the **Insured’s** primary occupation involves the provision of health care; or
- **personal injury** or **property damage** arising therefrom but only if such professional advice or service is not given for a fee.

#### TERRORISM, WAR OR GOVERNMENT ACTION

liability arising out of or in connection with **terrorism** (including or any action taken in controlling, preventing, suppressing or responding to **terrorism**), **war** or **government action** regardless of any other cause or event contributing concurrently or in sequence to the loss.

#### RADIOACTIVITY

liability arising out of or in connection with **radioactivity** regardless of any other cause or event contributing concurrently or in sequence to the loss.

#### VEHICLES

liability arising out of or in connection with the ownership, possession, operation, use or legal control by the **Insured** of any **vehicle**:

- which is required under any legislation, to be registered; or
- for which compulsory liability insurance or cover under an insurance or accident compensation scheme is required in respect
- of its use by virtue of any legislation.

This exclusion does not apply to:

- liability in respect of **personal injury**, for which indemnity is not available under such compulsory liability insurance or insurance or accident compensation scheme and the reason indemnity is not available does not involve a breach of any legislation relating to **vehicles**; or
- liability in respect of **property damage** caused by or arising from:
  - the loading or unloading of goods to or from any stationary **vehicle** or the delivery or collection of goods to or from any stationary **vehicle**;
  - the use for its intended purpose of any tool or item of plant attached to or forming part of the **vehicle** but only whilst the **vehicle** is stationary;
  - the operation or use of any **vehicle** which is designed primarily for lifting, lowering, loading and/or unloading, while being operated or used by or on behalf of the **Insured** within the confines of the **Insured’s** premises; or
  - the movement by or on behalf of the **Insured** of any **vehicle** or trailer not belonging to the **Insured** which is interfering with access to or from any site where the **Insured** is carrying out work.

## WORKMANSHIP

liability in respect of the cost of performing, completing, re-performing, reworking, correcting or improving any service or work done or promised to be done by or on behalf of the **Insured**.

## WHAT TO DO WHEN A LOSS OCCURS

The **Insured's** obligations under How to make a Claim apply to this Liability Protection insurance.

In addition, in the event of an **occurrence** that is or may be covered under this Liability Protection insurance, the **Insured** must:

- promptly and at the **Insured's** own expense take all reasonable steps to prevent other **personal injury, property damage** and/ or **advertising injury** arising out of the same or similar conditions;
- not incur any **additional payments** without **SURA Commercial's** prior consent;
- use their best endeavours to preserve any items which might assist by way of evidence in connection with any claim; and
- as far as practicable allow no alteration or repair to be effected without **SURA Commercial's** consent and until **SURA Commercial** has had the opportunity to inspect.

## HOW CLAIMS ARE SETTLED

**SURA Commercial** has full discretion in the conduct of any claim and the **Insured** must give all information and assistance as **SURA Commercial** may require in the prosecution, defence or settlement of any claim.

**SURA Commercial** reserves its rights under this **policy** and at law, including the right to agree or deny indemnity while **SURA Commercial** assesses a claim or conducts the defence.

**SURA Commercial's** rights under this **policy** are not affected or diminished if **SURA Commercial** does not conduct the defence.

**SURA Commercial** is entitled to prosecute in the **Insured's** name (at **SURA Commercial's** own expense and for **SURA Commercial's** benefit) any claim for indemnity or contribution in respect of any compensation or other **Insured** loss which it may be required to pay under the provisions of this **policy**.

**SURA Commercial** is entitled to attend any inquest in respect of which liability may arise under this **policy**.

**SURA Commercial** may pay any part of the **excess** to effect payment or settlement of any claim, and on notification of such action taken, the **Insured** is to reimburse **SURA Commercial** within fourteen days thereafter for such amount paid by **SURA Commercial**.

**SURA Commercial** may at any time pay to the **Insured** in respect of all claims against the **Insured** arising from any one **occurrence**:

- the **limit** after deduction of any amount already paid by **SURA Commercial**; or
- any lesser amount for which the claim can be settled.

On making such payment **SURA Commercial** will relinquish the conduct and control of and be under no further liability in connection with such claim; except for expenses approved by **SURA Commercial** prior to such payment.

## THE FINE PRINT

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The following conditions apply to this **policy**.

### ACQUISITIONS

Any company where the **Insured** acquires more than 50% of share capital or the majority of the voting rights during the **policy period** is automatically an **Insured** from the date of such acquisition, provided that notice of acquisition is given to **SURA Commercial** within ninety days after the acquisition and provided that the **Insured** pays any additional premium as may be required by **SURA Commercial**.

### ADJUSTMENT

Where **premium** (or any part) has been calculated on estimates provided by the **Insured**, the **Insured** must keep accurate written records of all relevant particulars in relation to those estimates.

Within thirty days after the expiry of each **policy period** the **Insured** must provide the information reasonably required by **SURA Commercial** to enable the **premium** to be adjusted subject to any minimum premium.

### ALTERATION

The **Insured** must notify **SURA Commercial** as soon as possible of any change known to the **Insured** that materially varies the circumstances existing at the commencement of this **policy** and on which **SURA Commercial's premium** and other terms for this **policy** were based.

**SURA Commercial** will not **cover** loss or damage or indemnify against legal liability under any section of the **policy** if the **Insured's business** is:

- changed in such a way as to increase the risk of loss; or
- permanently discontinued, ceased by will or operation of law or carried on by an insolvency practitioner except where **SURA Commercial** has agreed otherwise under the Income Protection insurance;
- unless **SURA Commercial's** prior agreement to any such changes is obtained.

### ACCOUNTS AND AUDIT

The **Insured** must keep a record, for a minimum period of five years after expiry of this **policy**, of information which is relevant to this insurance and/or which may be required by **SURA Commercial** for the purposes of adjusting premiums based on estimates, or investigating or verifying any claim.

The **Insured** must, on reasonable notice, allow **SURA Commercial** or its nominee to examine, make copies, and/or audit such records as far as they relate to the subject matter(s) **Insured** by this **policy**.

Any particulars contained in the **Insured's** books of account or other documents certified by the **Insured's** auditors will be accepted by **SURA Commercial**.

### CANCELLATION

This **policy** (or any part) may be cancelled:

- at the written request of the **Insured**, provided that such cancellation will take effect from the date the **Insured's** notice is received by **SURA Commercial** or any other date mutually agreed, in which case **SURA Commercial** will refund on a pro-rata basis the unearned **premium** subject to any minimum that may apply; or
- by **SURA Commercial**, in the circumstances permitted in the Insurance *Contracts Act 1984 (Cth)*, in which case **SURA Commercial** will refund on a pro-rata basis the unearned **premium**.

When the earned premium calculation is subject to reports of values, the **Insured** must, in the event of cancellation, report the values and pay premium due up to the date of cancellation.

### GOODS AND SERVICES TAX (GST)

Where **SURA Commercial** makes a payment under this **policy**;

- for the acquisition of goods, services or other supply, or
- as compensation instead of payment for the acquisition of goods, services or other supply

**SURA Commercial** will reduce the amount of the payment by the amount of any income tax credit that the **Insured** would have been entitled to under A New Tax System (Goods and Services) Tax Act 1999 had the payment been applied to acquire such good services or other supply.

## INSPECTION

**SURA Commercial** is permitted but not obliged to inspect the **Insured's property** and **operations** at any time.

## INSURANCE CONTRACTS ACT

Nothing contained in this **policy** will be construed to reduce or waive either the **Insured's** or **SURA Commercial's** privileges, rights or remedies available under the *Insurance Contracts Act 1984 (Cth)* as amended.

## INSURED'S OBLIGATIONS

The **Insured** must take reasonable care and or action to:

- ensure that only competent **employees** are employed;
- maintain all **property** in sound condition;
- avoid or minimise loss or damage to **property**;
- prevent **personal injury, property damage** and/or **advertising injury**;
- prevent the manufacture, sale or supply of defective products;
- trace, recall or modify any products containing any defect or deficiency of which the **Insured** has knowledge or has reason to suspect may exist; and
- comply with all statutory obligations that concern the safety of persons or property.

## JURISDICTION

In the event of any dispute relating to this **policy**, the parties will submit to the exclusive jurisdiction of the courts of the state or territory in which this **policy** is issued. Such dispute will be determined in accordance with the law and practice applicable in such court.

## SUBROGATION

In the event of any payment under this **policy**, **SURA Commercial** is subrogated to the extent of such payment, to all the **Insured's** rights of recovery against, or contribution from, any person or organisation.

The **Insured** must execute and deliver to **SURA Commercial** instruments and papers and do whatever else is necessary to secure such rights.

The **Insured** must not do anything after a loss to prejudice such rights.

**SURA Commercial** waives any recovery rights and remedies to which **SURA Commercial** becomes entitled against any **Insured**.

## THIRD PARTIES

**SURA Commercial** will **cover** the insurable interest in **property** insured of only those lessors, financiers, trustees, mortgagees, owners and other parties specifically noted in the **Insured's** records.

No interest under this **policy** may be assigned without the consent of **SURA Commercial**.

## DEFINITIONS

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### access is restricted

denial or restriction of access as a result of:

- an event **covered** under Asset Protection; or
- an order of a Public Authority arising from, vermin, defects in the drains or other sanitary arrangements, murder or suicide or notifiable human infectious or contagious disease issued as a result of an event;

occurring **within the radius specified** of an **insured location** but not due to:

- the breach of any law or regulation by the **Insured**; or
- Highly Pathogenic Avian Influenza or any other disease declared to be a quarantinable disease under the *Quarantine Act 1908 (Cth)*, irrespective of where discovered.

### accountant

a professional accountant to be appointed by both **SURA Commercial** and the **Insured** or failing such appointment nominated by the President of one of the professional accounting bodies in Australia.

### accounts receivable

amounts due to the **Insured** that the **Insured** is unable to collect.

### additional payments

- reasonable costs, charges or expenses (other than wages, salaries or fees paid or payable to the **Insured** or **employees**), incurred by **SURA Commercial** or with **SURA Commercial's** written consent (which is not unreasonably withheld), in investigating, defending and/ or settling or in bringing or defending appeals in connection with claims;
- reasonable costs, charges and expenses of legal representation, incurred by **SURA Commercial** or with **SURA Commercial's** written consent (which is not unreasonably withheld), at any coroner's inquest, inquiry, prosecution or hearing which the **Insured** is legally compelled to attend or reasonably wishes to attend, which relates to a claim for **personal injury**, property damage and/ or **advertising injury**;
- reasonable expenses incurred by the **Insured** for first aid to others at the time of the happening of **personal injury** (other than medical expenses prohibited by law); and
- reasonable costs incurred by the **Insured** for temporary repairs, shoring up or protection of property of others that has been damaged.

### advertisement

promoting of capabilities, services or products through advertising brochures, pamphlets and other fliers, email, billboards and other outdoor advertising, broadcast or telecast advertisements, direct mail advertising, display units, the internet, magazine and other print publication advertisements, merchandising, radio, cinema and trade exhibits.

### advertising injury

- infringement of copyright, trademark, title or slogan;
- piracy or unfair competition;
- misappropriation of advertising ideas or style of doing business; and
- invasion of privacy;

committed or alleged to have been committed in connection with the **Insured's advertisements** but does not include:

- breach of any contract, other than misappropriation of advertising ideas contrary to a contract;
- any infringement of a trade mark, service mark, copyright or trade name on any products, goods or services sold, offered for sale or advertised, other than infringement of titles or slogans;
- any incorrect description of the price of the **Insured's products**, goods or services; or
- failure of the **Insured's products**, goods or services to conform with advertised performance, quality, fitness or durability.

### aircraft

any craft or object designed to transport persons or **property** through air or space.

### banking premises

the interior of that portion of any building or buildings occupied by any bank, trust company or similar recognised place of safe deposit.

### breakdown

breaking, seizing or burning out of any part of **equipment**.

### building

a roofed and walled structure including all permanently attached interior and exterior services and all man-made structures on the land (including **landscaping**) but does not include:

- contents;
- anything excluded under **contents**; or
- fabric structures unless included as a **special asset**.

### business records

written, printed or otherwise inscribed documents and records, including books, books of account, maps, films, drawings, abstracts, deeds, mortgage documents and manuscripts, but not including:

- **money**, **securities** or stamps; or
- **electronic data**.

### business recovery expenses

costs not otherwise recoverable and reasonably and necessarily incurred by the **Insured** in attempting to restore or maintain normal business **operations** and or services.

**claims preparation expenses**

expenses that the **Insured** reasonably and necessarily incurred for preparation and certifying of **covered** claims including:

- professional fees for architects, engineers, surveyors and accountants; and
- executive overtime that the **Insured** necessarily incurs with **SURA Commercial's** consent for mitigating claims under Asset Protection and Business Income Protection which are not otherwise recoverable under this **policy**.

**contents**

**property** other than **buildings** including:

- added value attaching to labour, materials and services furnished by the **Insured** on **contents of others**;
- tenant's leasehold improvements including improvements provided for the **Insured's** use;
- property owned by any organisation established with the **Insured's** permission for the purpose of providing canteen, social, sports, welfare, child care, first aid, medical fire or ambulance services for **employees**;
- personal effects of Directors and Officers of the **Insured**; and personal effects of **employees** of the **Insured** to the extent required under labour laws;

but does not include:

- air or land;
- aircraft, registered **vehicles**, or watercraft in water;
- **money** or **securities**;
- **property** in unattended **vehicles**;
- **property** sold by the **insured** under conditional sale, trust agreement, instalment payment or other deferred payment plan after delivery to customers;
- **property** being shipped from a point outside Australia prior to either discharge from a carrier or termination of the risk assumed by cargo insurance;
- **property** being shipped to a point outside Australia after being loaded onto a carrier or commencement of the risk assumed by cargo insurance; or
- precious metals, gemstones, plants or animals unless included as **special assets**.

**contents of others**

**contents** not owned by the **Insured** but in the **Insured's** care, custody or control in the course of the business.

**continuing expenses**

continuing normal operating expenses including payroll and rental payments as tenants.

**cost of sales**

the direct costs attributable to the production of the goods sold by the **Insured**. This amount includes the cost of the materials used in creating the goods. It excludes direct labour costs used to produce the goods and indirect expenses such as sales force and distribution costs.

**cover / coverage / covered**

loss or damage set out in the **Insured's** Certificate and the **policy**, but excluding loss or damage specified as not being covered under the **policy**.

**debris**

residue of damaged **property** on the **Insured's premises** as a result of **covered** loss or damage, but not for any material which can cause **pollution** and which is deposited beyond the boundaries of the **Insured's premises**.

**dependent business premises**

premises (other than **essential services**) operated by others located within the **geographical area** stated in the Certificate on whom the **Insured** depends to:

- supply products or services;
- purchase or accept the **Insured's** products or services;
- deliver materials or services to or from the **Insured** or to others for the **Insured's** account; and/or
- manufacture products or services for delivery to the **Insured's** customers under contract.

**destruction or distortion**

- total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of **electronic data**;
- error in creating, amending, entering deleting or using **electronic data**; or
- total or partial inability or failure to receive, send access or use **electronic data** for any time at all;

from any cause whatsoever, regardless of any other contributing cause of event when ever it may occur.

**discovery period**

the **policy period** plus the **number of months stated in the Certificate** following termination of coverage for Crime Protection.

**double insurance**

insurance provided by an insurer other than **SURA Commercial** which may respond in whole or in part to a claim under this **policy** and for which **SURA Commercial** reserves the right to seek contribution from the other insurer.

**electronic data**

facts, concepts and information converted to a form useable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled **equipment** and includes programs, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such **equipment**.

**employee**

person in the service of the **Insured** in the ordinary course of the **Insured's business** during the **policy period**, whom the **Insured** compensates by salary, wages or commissions and whom the **Insured** has the right to govern and direct in the performance of such service.

For Liability Protection under What's Not Covered – Employers Liability, **employee** also means a deemed employee by reason of the *Western Australia Workers' Compensation and Rehabilitation Act 1981 (WA)* – Section 175 or any equivalent legislation in any other jurisdiction.

For Crime Protection **employee** also means:

- any **ex-employee** during a period not exceeding 30 days following the termination of service of that **employee**;
- any director or trustee of the **Insured** while performing acts coming within the scope of the usual duties of an **employee** or member of any committee duly elected or appointed to examine or audit or have custody of or access to any of the **Insured's** property;
- any individual or individuals assigned to perform **employee** duties within the **premises** for the **Insured** by any agency furnishing temporary personnel on a contingent or part time basis, but not if such **employee** is also covered by any other insurance or bond held by the agency furnishing such temporary personnel; or
- any volunteer worker of the **Insured** to the extent that such person may handle or have custody of property belonging to or held by the **Insured**.

Brokers, commission merchants, consignees, contractors, or other agents or representatives are not considered **employees**.

**essential services**

premises operated by others located on land within the Commonwealth of Australia on whom the **Insured** depends for, and which produce, deliver or supply:

- electricity;
- water or sewerage services; natural gas; or communications;

including their transmission and distribution systems.

**equipment**

any mechanical or electrical device used for the generation, transmission or utilisation of mechanical or electrical power.

**event**

any one loss or series of losses arising out of any one event at any one location.

All losses which occur during any 72 consecutive hours commencing on the first happening of such losses and which are caused by flood, earthquake or atmospheric disturbance constitute one loss for the purpose of application of any **limits** and **excesses**.

**excess**

the amount specified in the Certificate, that the **Insured** must first bear in respect of any claim payable under this **policy**.

For Liability Protection:

- the amount of the excess is payable by the **Insured** within 14 days of the date of notification by the **Insured** of each occurrence, unless otherwise agreed; and
- the excess shall apply on a costs inclusive basis.

**expense savings**

expenses ordinarily incurred in connection with the **Insured's business** but avoided as a result of loss or damage.

In the case of payroll, expenses saved will be calculated after the inclusion of payments made under industrial awards, determinations or agreements for severance pay and/or pay in lieu of notice to employees whose services are terminated.

**fine arts**

objects of art owned by the **Insured** or in the **Insured's** care, custody or control.

**finished stock**

goods manufactured by the **Insured** which are in their completed state and ready for sale, but does not include goods manufactured by the **Insured** which are in their completed state and ready for sale on the premises of any retail outlet **Insured** under Income Protection.

**flood**

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

- a lake (whether or not it has been altered; or
- a modified); river (whether or not it has been altered or modified);
- a creek (whether or not it has been altered or modified);
- another natural watercourse (whether or not it has been altered or modified);
- a reservoir;
- a canal;
- a dam.

**government action**

confiscation, commandeering, nationalisation, requisition, destruction or damage by any action of any government whether lawfully constituted or otherwise or any public authority, but does not mean actions taken, and the removal of **debris**, for the purpose of:

- preventing, diminishing, or inhibiting imminent damage by
- any **covered** loss or damage; or
- demolition of property deemed unsafe following **covered** loss or damage.

**gross profit**

**income** and/or rents received (including outgoings paid to others by tenants under the terms of a lease) in the course of the **Insured's business** less the **cost of sales**.

**hovercraft**

any vessel, craft or thing designed to transport persons or **property** over land or water supported on a cushion of air.

**income**

amounts, less discounts, paid or payable to the **Insured** for goods sold and delivered or for services rendered.

**indemnity value**

cost to repair or replace less an amount for age, wear and tear and depreciation and less an adjustment for general condition and remaining useful life at the time of loss.

**Insured**

the person, companies and any other entities specified in the Certificate as the **Insured**.

For Liability Protection the following are also **Insureds**:

- all subsidiary companies of the **Insured**, provided that their places of incorporation are within Australia and whose business falls within the definition of the **Insured's business**;
- every director, executive officer, **employee**, partner, shareholder or voluntary worker of the **Insured** or of a subsidiary company designated above, but only whilst acting within the scope of their duties in such capacity;
- every principal, in respect of the liability of such principal arising out of the performance by the **Insured** or by a subsidiary company described above of any agreement for the performance of work for such principal, but only to the extent required by such agreement;
- every office bearer or member of social and sporting clubs, canteen and welfare organisations and first aid, fire and ambulance services formed with the **Insured's** consent in respect of claims arising from their duties connected with the activities of any such club, organisation or service; and
- any director or senior executive of the **Insured**, in respect of private work undertaken by the **Insured's employees** for such director or senior executive.

**Insured locations**

all locations specified as an **Insured location** in the Certificate.

**Insured's business**

the **Insured's business** specified in the Certificate and any other activity incidental but related thereto including:

- ownership and/or tenancy of **premises**;
- provision of canteens, social, sports and welfare organisations for the benefit of the **employees**;
- provision of first aid, fire and ambulance services; and
- construction, demolition, alteration, addition, fit out, maintenance or repair of or to any **property** owned or

leased by the **Insured** provided that the total cost of all work performed does not exceed the Liability Protection **construction limit**.

**Insured's products**

anything, including any packaging or containers thereof (after they have ceased to be in the possession or control of the **Insured**) manufactured, grown, extracted, produced, processed, assembled, constructed, erected, installed, repaired, serviced, treated, sold, supplied, re-supplied or distributed by the **Insured** including all previously supplied products.

**in transit**

while being conveyed from one place to another within Australia.

**landscaping**

outdoor lawns, trees, plants and shrubs.

**limit**

the amount stated in the Certificate as the most **SURA Commercial** will pay in respect of all claims arising from the same:

- **event** (including location, shipment, expense and other specified sub-limits) for Asset Protection and Business Income Protection;
- **occurrence** for Liability Protection; or
- loss (including **Employee Theft and Money and Securities limits**) for Crime Protection.

**medical persons**

medical doctors, medical nurses, dentists and first aid attendants.

**merchandise**

goods kept by the **Insured** which are not the product of manufacturing **operations** conducted by the **Insured**.

**mobile equipment**

**vehicles** including any attached machinery whether or not self-propelled, that are:

- designed for use principally off public roads;
- maintained for use exclusively on premises owned by or rented
- to the **insured**, including the access immediately adjoining; or
- designed or maintained for the sole purpose of affording mobility.

**money**

cash, coins or bank notes in any currency.

**net realisable value**

the value of an asset that can be realised upon the sale of the asset, minus a reasonable and justifiable prediction of the costs associated with either the ultimate sale or the disposal of the asset at the time of loss or damage.

**net selling price**

the price at which **stock** would have been sold, less all discounts and non-incurred expenses that would have been incurred had no covered loss occurred.

**occurrence**

an event causing **personal injury**, **property damage** and/or **advertising injury** neither expected nor intended from the standpoint of the **Insured**.

The effects of assault and battery perpetrated for the purpose of preventing or eliminating danger to persons or property and committed by or at the direction of the **Insured** will be deemed to be **personal injury** neither expected nor intended from the standpoint of the **Insured**.

All **personal injury**, **property damage** and/or **advertising injury** arising out of or attributable to:

- continuous or repeated exposure to substantially the same general conditions;
- one source or the same originating cause; and/or
- the same injurious material or act (regardless of the frequency, the number and kinds of media used, or the number of claimants);

will be considered to arise out of one **occurrence**.

**operations**

**Insured's** activities occurring prior to loss or damage including their ability to obtain tenants for their **premises**.

**patterns**

patterns, models, moulds, plans and designs and other similar property usual to the **Insured's operations** that are owned by the **Insured** or are in the care, custody or control of the **Insured**.

**period of recovery**

period of time that begins with the date of **covered** loss or damage and continues even after this insurance expires until either:

- the **Insured's business** is no longer affected as a result of
- **covered** loss or damage;
- the expiry of the **period of recovery** plus an **extended period** throughout which the **Insured** can show that the effects of the covered loss or damage were still being experienced; or
- the **Insured** ceases to carry on the **Insured's business**.

**personal injury**

- bodily injury, death, sickness, disease, disability, shock, fright, mental anguish or injury;
- false arrest, wrongful detention, false imprisonment, malicious prosecution and/or humiliation;
- wrongful entry or eviction or other invasion of the right of privacy;
- publication or utterance of defamatory or disparaging material or statement; and/or

- assault and battery not committed by or at the direction of the **Insured** unless reasonably committed for the purpose of preventing or eliminating danger to persons or property.

**policy**

the Certificate, this document, and Special Conditions (if any) issued by **SURA Commercial** to the **Insured**.

**policy period**

the duration of this **policy** as stated in the current Certificate.

**pollutant**

smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals or any solid, liquid, gaseous or thermal irritant or contaminant of any type including waste or materials to be recycled, reconditioned or reclaimed.

**pollution**

the actual, alleged or threatened **release** of **pollutants** into or upon any property, land, the atmosphere or any watercourse or body of water (including groundwater), including any expense to test for, monitor, clean up, remove, dispose of contain, treat, detoxify or neutralise **pollutants**.

**premises**

that portion of any building occupied by the **Insured** in conducting the **Insured's business**.

**premium**

the amount payable to **SURA Commercial** for this insurance shown on the Tax Invoice.

**products liability**

**personal injury** or **property damage** caused by any defect in, or the harmful nature of the **Insured's products** or resulting from any defect or deficiency in any direction or advice given at any time, or intended to be given by the **Insured**, concerning the use of the **Insured's products**.

**property**

**buildings** and / or **contents** owned by the **Insured** or for which the **Insured** is responsible or has assumed responsibility to insure prior to a loss.

**property damage**

- physical damage to or loss of tangible property including any resultant loss of use of that tangible property; and/or
- loss of use of tangible property that has not been physically damaged or destroyed provided such loss of use is caused by physical damage to or destruction of other tangible property.

**published**

printed, published, exhibited, transmitted, displayed, stated or broadcast.

**raw stock**

**contents** comprised of material in the state in which the **Insured** receives it for conversion into **finished stock**.

**radioactivity**

ionising radiations, or contamination by radioactivity from, any nuclear fuel or nuclear waste from the combustion of nuclear fuel including any self-sustaining process of nuclear fission and/or the radioactive, toxic, explosive or other hazardous properties of any nuclear assembly or nuclear component thereof but does not include low level radioactive radiation, such as measurement and control technology used in the medical sector, and used away from the place where made or produced.

**ratio of gross profit to income**

- published ratios from data matched to businesses having the same ANZIC classification as the **Insured's business**; or
- actual ratio of **gross profit to income** in the last financial year prior to loss or damage adjusted to reflect trends affecting the **Insured's** trading based on information supplied and certified by the **Insured's** accountant.

**reduction in trended income**

the difference between actual **income** received during the period of interruption following **covered** loss or damage and **income** for a corresponding period immediately before the date of the loss or damage adjusted to reflect the trends in the business in order to arrive at the same result that would have been attained had **covered** loss or damage not occurred based on information supplied and certified by the **Insured's** accountant.

**release**

release, discharge, dispersal, disposal, seepage, migration, escape or movement.

**securities**

all negotiable and non-negotiable instruments or contracts representing either **money** or other property, including stamps in current use and tokens and tickets, but not including **money**.

**special assets**

assets defined and valued in the event of a loss or damage as stated in the **Certificate**.

**stock**

**contents** consisting of **raw stock**, **stock in process**, **finished stock** and **merchandise** including supplies used in their packing or shipping.

**stock in process**

**raw stock** which has undergone any aging, seasoning, mechanical or other process of manufacture but which has not become **finished stock**.

**storm**

wind and/or rain whether wind driven or not including tropical depressions and named cyclones.

**suitable alternatives**

materials, machinery or **equipment** of similar standard and capacity. In the case of a building with architectural features

or structural materials of an ornamental or historical character, **suitable alternatives** include materials of equivalent appearance using the original design.

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SURA Pty Ltd, ABN 36 115 672 350 AFSL 294313 T/A **SURA Commercial**

**terrorism**

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; involves damage to property;
- endangers life other than that of the person committing the action;
- 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.

**theft**

dishonest appropriation of tangible assets belonging to another party with the intention of permanently depriving that other party of such assets.

**trended gross profit**

**gross profit** during that period corresponding with the period of interruption following **covered** loss or damage and **gross profit** for a corresponding period immediately before the date of the loss or damage adjusted to reflect the trends in the business in order to arrive at the same result that would have been attained had **covered** loss or damage not occurred.

**vehicle**

any type of machine on wheels or on self laid tracks made or intended to be propelled by other than manual or animal power and any trailer or other attachment made or intended to be drawn by any such machine.

**war**

war or warlike activities including invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power, looting, sacking or pillage following any of these, or the expropriation of property.

**watercraft**

anything made or intended to float on or in or travel on or through water, except floating jetties and/or floating pontoons and/or pontoons and/or buoys.

# SURA COMMERCIAL

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